

MR01
Particulars of a charge



Companies House

001459/23



Go online to file this information
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A fee is payable with this form
Please see 'How to pay' on the last page.

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

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

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

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

☒ You **must** enclose a certified copy of the instrument with this form. It must be
scanned and placed on the public record. **Do not send the original**



A20 *A80ULE9C* #119
09/03/2019
COMPANIES HOUSE

SATURDAY

1 Company details

Company number ☒ 1 0 2 4 2 3 7 7
Company name in full ☒ Customade Group Midco Limited

For official use
8
→ **Filling in this form**
Please complete in typescript or in
bold black capitals.
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date ☒ d 2 d 8 m 0 m 2 y 2 y 0 y 1 y 9

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

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

Name John Lightowlers (in his capacity as Security Trustee)

Name

Name

Name

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

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

MR01

Particulars of a charge

4	Brief description	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.	Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". Please limit the description to the available space.
	Brief description	Contains fixed charge. Contains floating charge. Floating charge covers all the property or undertaking of the company. Contains negative pledge.	
5	Other charge or fixed security	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. ☐ Yes ☒ No	
6	Floating charge	Is the instrument expressed to contain a floating charge? Please tick the appropriate box. ☒ Yes Continue ☐ No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? ☒ Yes	
7	Negative Pledge	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. ☒ Yes ☐ No	
8	Trustee statement ¹	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. ☐	¹This statement may be filed after the registration of the charge (use form MR06).
9	Signature	Please sign the form here.	
	Signature	Signature X PricewaterhouseCoopers LLP X	
		This form must be signed by a person with an interest in the charge.	

MR01

Particulars of a charge



Presenter information

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

Contact name **Max Mugnaioni (921236)**

Company name **PricewaterhouseCoopers LLP**

Address **1 Embankment Place**

Post town **London**

County/Region

Postcode **W C 2 N 6 R H**

Country

DX

Telephone **07841074387**



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

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

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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



Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10242377

Charge code: 1024 2377 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th February 2019 and created by CUSTOMADE GROUP MIDCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th March 2019.

P

Given at Companies House, Cardiff on 14th March 2019



Companies House



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

Dated: 28 February 2019

THE CHARGORS LISTED IN SCHEDULE 1

as the Chargors,

- and -

MR. JOHN LIGHTOWLERS,

in his capacity as Security Trustee

SUPPLEMENTAL DEBENTURE

***Note: This Debenture
is subject to the terms of the Intercreditor Deeds (as defined herein).***

Certified a true copy this
8 day of March 2019
PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

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THIS DEED is dated 28 February 2019

BETWEEN:

- (1) The companies detailed in Schedule 1 (*The Chargors*), as the Chargors; and
- (2) JOHN LIGHTOWLERS, as Security Trustee.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions: In this Deed:

"Account Bank" means any bank or financial institution with which a Chargor maintains a bank account.

"Administrator" means an administrator appointed under Schedule B1 of the Insolvency Act 1986.

"Additional Material Contract" means contracts material to a Chargor's business with a contract value in excess of £100,000 (other than intercompany loan agreements made among the Chargors).

"Assigned Contracts" means the contracts listed in Schedule 8 (*Assigned Contracts*), the Additional Material Contracts and any other contract which is assigned pursuant to Clause 3.3 (*Assignment by way of Security*).

"Bank Account" means any account with any bank or financial institution in which any Chargor now or in the future has an interest (including any replacement or substitute account or subdivision or sub-account of that account) and to the extent of such interest, all credit balances now or in the future on such accounts and all Related Rights.

"Business Day" means a day other than a Saturday or Sunday, on which banks are open for general business in London or, for the purposes of Clause 16 (*Communications*), in the principal financial centre in the jurisdiction in which the relevant communication is delivered.

"Charged Assets" means the assets and undertakings from time to time which are the subject of any Security created or purported to be created by or pursuant to this Deed and, where the context permits, the proceeds of sale of such assets.

"Charged Investments" means Investments forming part of the Charged Assets.

"Charged Real Property" means all Real Property forming part of the Charged Assets and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such Real Property and all Related Rights.

"Charges" means Security from time to time created or expressed to be created by or pursuant to this Deed.

"Chargors" means the companies detailed in Schedule 1 (*The Chargors*).

"Collection Account(s)" means any Bank Account that may from time to time be specified in writing by the Security Trustee as an account into which the amount of the Monetary Claims are to be paid and in respect of which the relevant bank or financial institution has agreed to operate such Bank Account in accordance with any procedures stipulated by the Security Trustee.

"Default Interest Rate" means one per cent per annum above the highest rate of interest ordinarily applicable to the Secured Obligations from time to time.

"Delegate" means a delegate, sub-delegate, attorney or co-trustee appointed, directly or indirectly, pursuant to Clause 17.3 (*Delegation*).

"Derivative Rights" include:

- (a) all rights relating to Investments which are deposited with, or registered in the name of, any Security Trustee, depositary, custodian, nominee, trustee, fiduciary, investment manager or clearing house or system or other similar person or its nominee, in each case whether or not on a fungible basis (including rights against such person); and
- (b) all other present and future rights or cash or other assets attaching or relating to or accruing or offered on or deriving from Investments or from such rights (whether by way of redemption, conversion, exercise of option rights, substitution, exchange, preference, bonus or otherwise).

"Discharge Date" means the date with effect from which the Security Trustee confirms to the Company that all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all relevant commitments of the Finance Parties cancelled.

"Event of Default" means the occurrence of any of the events or circumstances detailed in Condition 4.1 of Schedule 2 of the Loan Note Instrument but shall also include any breach by any Chargor of, or non-compliance by, any Chargor with the provisions of this Deed or of any other Loan Note Document.

"Excluded Property" has the meaning given to it in Clause 6.1 (*Leases restricting charging*).

"Expenses" means all fees, discounts, commissions and other banking or service charges, legal and other professional fees, premiums, costs or expenses, in each case calculated on a full indemnity basis and together with VAT, incurred by any Finance Party and/or any Receiver or Delegate in connection with the Charged Assets, the preparation, negotiation and creation of this Deed, taking, perfecting, enforcing or exercising any power under this Deed, the appointment of any Receiver or delegate, the breach of any provision of this Deed, and includes the costs of transferring to the Security Trustee or the Receiver any security ranking in priority to the security constituted by this Deed, or the amount required to be paid to secure the unconditional and irrevocable discharge of such security, or any of the foregoing as the context shall require.

"Finance Parties" shall have the same meaning as given to the term "Secured Parties" in the Security Trust Deed.

"First Intercreditor Deed" means an intercreditor deed to be entered into on or about 15 February 2017 and made between (1) Midcap Financial (Ireland) Limited (2) Clydesdale Bank plc (3) the persons and entities identified therein as Original Investor Noteholders, (4) Cairngorm Capital Partners LLP as Security Trustee, (5) the persons and entities identified therein as the Original PGL Vendor Noteholders, (6) the persons and entities identified therein as the Original Kestrel Vendor Creditors (8) the Company as Parent, and (9) the members of the Group listed therein as Companies.

"Fixtures" means trade and other fixtures and fittings and fixed plant, machinery and other apparatus.

"Group" means any group of companies for the time being comprising the Company and its Subsidiaries.

"Insurance Policy" means any contract or policy of insurance (including life insurance or assurance) in which any Chargor may from time to time have an interest as a beneficiary under its terms.

"Intellectual Property" means any patents, trademarks, service marks, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow, utility models, plant variety rights and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered.

"Intercreditor Deeds" means the First Intercreditor Deed and the Second Intercreditor Deed.

"Interest" means interest at the rate provided and calculated and compounded as agreed between the Security Trustee and the Company from time to time, and if not so agreed, in accordance with the practice of the Security Trustee from time to time both before and after judgement.

"Investments" means:

- (a) any shares, stocks, debentures, certificates of deposit, securities, bonds or other securities;
- (b) all interests in collective investment schemes; and
- (c) all warrants, options and other rights to subscribe for or acquire any of the investments referred to in paragraph (a) or (b),

(including, without limitation, the Scheduled Investments), in each case whether held directly by the relevant Chargor or by any Security Trustee, Finance Party, depository, custodian, trustee, nominee, fiduciary, investment manager or clearing house or system on its behalf and all Related Rights (including all rights against such person) and all Derivative Rights.

"Loan Note Documents" has the meaning given to it in the Security Trust Deed.

"Loan Note Instrument" has the meaning given to it in the Security Trust Deed.

"Loan Note Holders" has the meaning given to it in the Security Trust Deed.

"Loan Notes" means the £1,225,500 12% fixed rate secured loan notes 2024 of Midco.

"LPA" means the Law of Property Act 1925.

"Midco" means Customade Group Midco Limited (registered number 10242377).

"Monetary Claims" means any book and other debts and monetary claims of any nature owing to any Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any intercompany debt, Intellectual Property, any Investment, any claim, return of premium or the proceeds paid or payable in respect of any Insurance Policy, any court order or judgment, any contract or other agreement to which any Chargor is a party and any other assets, property, rights or undertaking of any Chargor, but excluding the Bank Accounts).

"Notice of Contract Assignment" means a notice of assignment in the form set out in Part 1 (*Form of Notice of Assignment of Assigned Contract*) of Schedule 9 or such other form as the Security Trustee may approve.

"Notice of Insurance Assignment" means a notice of assignment in the form set out in Part 2 (*Form of Notice of Assignment to Insurers*) of Schedule 9 or such other form as the Security Trustee may approve.

"Party" means a party to this Deed.

"Pensions Notice" means a contribution notice or a financial support direction issued by the Pensions Regulator under the Pensions Act 2004.

"Permitted Security" means any Security granted by a Chargor in favour of another creditor that is permitted and regulated by the Intercreditor Deeds.

"Personal Chattels" means any plant, machinery, office and other equipment, computers, vehicles, goods and other chattels (including all spare parts, replacements, modifications and additions) but excluding Fixtures on Real Property charged under Clause 3.2(a) (*Real Property*) or stock in trade or work in progress and all Related Rights.

"Planning Acts" means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and any re-enactment, variation or modification of any of them and any orders, regulations or permissions made, issued or granted under or by virtue of the foregoing Acts or any of them.

"Real Property" means freehold, leasehold or immovable property in England and Wales (including, without limitation, the Scheduled Real Property) and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property, and includes all Related Rights.

"Receiver" means a receiver, receiver and manager or, where permitted by law, administrative receiver appointed in respect of the Charged Assets by the Security Trustee pursuant to this Deed or otherwise.

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

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, negotiable instruments, remedies, Security, guarantees, indemnities or covenants for title in respect of that asset; and
- (d) any moneys and proceeds paid or payable in respect of that asset.

"Relevant Account" means any Bank Account that may from time to time be identified in writing by the Security Trustee and any Chargor as a Relevant Account (and any replacement or substitute account or any subdivision or sub account of such account).

"Second Intercreditor Deed" means an intercreditor deed dated on or about 15 February 2017 and made between (1) Midcap Financial (Ireland) Limited (2) Clydesdale Bank plc (3) the persons and entities identified therein as Original Investor Noteholders, (4) Cairngorm Capital Partners LLP as Security Trustee, (5) the persons and entities identified therein as the Original Supplier Noteholders, (6) the persons and entities identified therein as the Original Kestrel Vendor Creditors (8) the Company as Parent, and (9) the members of the Group listed therein as Companies.

"Security Trust Deed" means the security trust deed dated on or about 15 February 2017 and made between (inter alia), the Chargors, the Security Trustee and the original holders of notes issued pursuant to the Loan Note Instrument.

"Scheduled Bank Accounts" means the Bank Accounts described in 0 (*Details of the Scheduled Bank Accounts*).

"Scheduled Intellectual Property" means the Intellectual Property described in Schedule 3 (*Details of the Scheduled Intellectual Property*).

"Scheduled Investments" means the Investments described in Schedule 4 (*Details of the Scheduled Investments*).

"Scheduled Personal Chattels" means the Personal Chattels described in Schedule 5 (*Details of the Scheduled Personal Chattels*).

"Scheduled Real Property" means the Real Property described in Schedule 2 (*Details of the Scheduled Real Property*) and all Related Rights.

"Secured Obligations" means all indebtedness and all obligations or liabilities of any kind which may now or at any time in the future be due, owing or incurred by any Chargor under any of the Loan Note Documents to the Finance Parties (or any of them), whatever their nature or basis in any currency or currencies and however they are described together with Interest and Expenses PROVIDED THAT "Secured Obligations" shall not include any obligation or liability to the extent that if it were so included this Deed (or any part of it) would give rise to financial assistance within the meanings of Sections 677(1) of the Companies Act 2006 (the "Companies Act") unless such financial assistance is not prohibited by virtue of the provisions of Sections 679, 681 and 683 of the Companies Act.

"Security Accession Deed" means a deed of accession to this Deed in the form as the Security Trustee may approve.

"Supplemental Legal Charge" means a legal charge in the form as the Security Trustee may approve.

"this Deed" means this debenture as varied, amended or supplemented from time to time.

1.2 Imported Definitions: Unless otherwise expressly defined in this Deed or the context otherwise requires, words and expressions defined in the Security Trust Deed or the Intercreditor Deeds have the same meaning in this Deed or any notice given under or in connection to this Deed.

1.3 Construction

- (a) **"rights"** shall be construed as including rights, benefits, privileges, consents, authorities, discretions, remedies and powers and **"right"** shall be construed accordingly.
- (b) A reference to **"Secured Obligations"** includes any liabilities which would be treated as such but for the liquidation or dissolution or similar event affecting an Chargor.
- (c) Any reference to the Security Trustee, a Chargor, the Finance Parties or any Party shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees or permitted assigns in accordance with their respective interests.
- (d) An Event of Default is **"continuing"** if it has not been waived
- (e) A provision of law is a reference to that provision as amended or re-enacted.
- (f) References in this Deed to any Clause or Schedule shall be to a clause or schedule of this Deed unless otherwise specified.
- (g) Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- (h) Clause and schedule headings are for ease of reference only.
- (i) Where in connection with any legal jurisdiction outside England and Wales a word or phrase in this Deed has no precise counterpart, then this Deed shall be interpreted as if that word or phrase referred to the closest equivalent in the jurisdiction concerned.
- (j) this deed is subject to the terms of the Intercreditor Deeds

1.4 Clawback: if any amount paid by a Chargor or any other Chargor or credited to any Finance Party in respect of the Secured Obligations is avoided or reduced or otherwise set aside on the insolvency, liquidation, administration or similar laws of, or applicable to, a Chargor or any other Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed and the liability of the Chargors under this Deed and the security constituted by this Deed shall continue.

1.5 Deed: This document is to take effect as a deed notwithstanding that the Security Trustee has executed it under hand only.

1.6 Law of Property (Miscellaneous Provisions) Act 1989: The terms of the other Loan Note Documents and other documents under which the Secured Obligations arise and of any side

letters relating thereto between each Chargor and any of the Finance Parties are incorporated herein to the extent required for any purported disposition of the Charged Assets contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

- 1.7 Law of Property (Miscellaneous Provisions) Act 1994:** The obligations of the Chargors under this Deed and any document entered into pursuant to this Deed shall be in addition to the covenants deemed to be included in this Deed or such other document by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.
- 1.8 Schedules:** Any failure to state any Intellectual Property, Real Property, Investments or Personal Chattels of any Chargor on the date of this Deed in any of Schedule 2 (*Details of the Scheduled Real Property*), Schedule 3 (*Details of the Scheduled Intellectual Property*), Schedule 4 (*Details of the Scheduled Investments*) or Schedule 5 (*Details of the Scheduled Personal Chattels*) will not affect any Charges over such assets.
- 1.9 Third party rights:** Save as expressly stated in this Deed, a person who is not a party to this Deed 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.
- 1.10 Covenants and representations:**
- (a) Each covenant of a Chargor contained in this Deed remains in force until the Discharge Date.
 - (b) The representations and warranties set out in this Deed are made on the date of this Deed and are, unless otherwise stated herein, deemed to be repeated by a Chargor on each day from the date of this Deed until the Discharge Date with reference to the circumstances existing at such time of repetition.
- 1.11 Intercreditor Deeds:** Notwithstanding any other provision of this Deed, the Security constituted by this Deed and the exercise of any right or remedy by the Security Trustee hereunder shall be subject to the Intercreditor Deeds. In the event of any conflict between the terms of any Intercreditor Agreement and the terms of this Deed, the terms of the applicable Intercreditor Agreement shall prevail.
- 1.12 Security trust:** The Security Trustee holds the Security and the benefit of this Deed on trust for the Finance Parties on the terms of the Security Trust Deed.
- 1.13 Loan Note Document:** This Deed is a Loan Note Document.

2. COVENANT TO PAY

- 2.1 Covenant to pay:** Each Chargor shall on demand pay or discharge to the Security Trustee the Secured Obligations when the same have become due in the manner provided for in the Loan Note Documents.
- 2.2 Default Interest:** If a Chargor fails to pay any Secured Obligations on the due date for payment of that sum, such Chargor shall on demand pay to the Security Trustee interest on all such sums from the due date until the date of payment (both before and after judgment) to the extent interest at the Default Interest Rate. Any such interest not paid when due shall be compounded and bear interest calculated as provided above.

- 2.3 Proportionate discharge:** Each sum appropriated by the Security Trustee in accordance with the Loan Note Documents towards payment of accrued default interest on any Secured Obligations which have not been paid on their due date under any obligation under the Loan Note Documents which constitutes a Secured Liability shall to the extent of that appropriation discharge a Chargor's obligations to pay such interest under Clause 2.2 (*Default Interest*).

3. SECURITY

- 3.1 Creation of Charges:** All Charges and assignments under this Deed are:

- (a) made in favour of the Security Trustee (for the benefit of itself and the other Finance Parties);
- (b) subject to the Senior Security Documents (as such term is defined in the Intercreditor Deeds), made with full title guarantee; and
- (c) Security for the payment and discharge of all Secured Obligations.

All Charged Assets are excluded from the Charges created pursuant to Clause 3.2 (*Fixed Charges*) to the extent specifically assigned pursuant to Clause 3.3 (*Assignment by way of Security*).

- 3.2 Fixed Charges:** Each Chargor charges:

(a) Real Property:

- (i) by way of first legal mortgage the Scheduled Real Property and all other Real Property in England or Wales now belonging to it; and
- (ii) by way of first fixed charge all its rights, title and interest, present and future, in and to Real Property in England or Wales not mortgaged pursuant to paragraph (i) above;

(b) Investments:

- (i) by way of first fixed charge all its rights, title and interest in and to the Scheduled Investments and all other Investments now belonging to it; and
- (ii) by way of first fixed charge all its rights, title and interest in and to all Investments belonging to it (present and future) not referred to in paragraph (i) above;

- (c) Monetary Claims:** by way of first fixed charge all its rights, title and interest present and future in and to all Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Deed;

- (d) Intellectual Property:** by way of first fixed charge all its rights, title and interest present and future in and to Intellectual Property and all Related Rights (including the Scheduled Intellectual Property);

- (e) Bank Accounts:** by way of first fixed charge all its rights, title and interest present and future in and to the Bank Accounts (including the Scheduled Bank Accounts);

- (f) Insurance Policies:** by way of first fixed charge all its rights, title and interest present and future in and to the Insurance Policies and all Related Rights; and

- (g) **Personal Chattels:** by way of first fixed charge all its rights, title and interest present and future in and to the Personal Chattels (including Scheduled Personal Chattels).

3.3 Assignment by way of Security

- (a) Each Chargor hereby assigns absolutely (subject to the right to reassignment on redemption pursuant to Clause 23.11 (*Final redemption*)) all its present and future rights, title, interest and benefit in and to the Assigned Contracts, including all moneys payable to each Chargor, and any claims, awards and judgments in favour of such Chargor, under or in connection with the Assigned Contracts.
- (b) Until the Charges become enforceable, each Chargor shall be entitled to exercise all its rights in the Assigned Contracts, subject to the other provisions of this Deed.
- (c)
- (i) Subject to paragraph (ii) below, each Chargor shall, promptly on request of the Security Trustee and at the cost of the relevant Chargor, execute and deliver to the Security Trustee a legal assignment by way of security in such form as the Security Trustee may reasonably require over any Additional Material Contract entered into by the relevant Chargor after the date of this Deed; and
- (ii) a Chargor shall not be required to comply with paragraph (i) above in relation to any Additional Material Contract if the consent of a third party is required for such security to be created for so long as such consent has not been obtained, provided that such consent is not required from a member of the Group or a direct or indirect holding company of that member of the Group. The relevant Chargor shall use its reasonable endeavours to obtain such consent, unless (prior to the charges becoming enforceable) requesting such consent is likely to be commercially prejudicial in the reasonable judgment of the relevant Chargor and, if forthcoming, will grant the legal assignment promptly following receipt of such consent.

3.4 Floating Charge

- (a) Each Chargor charges by way of first floating charge (i) its undertaking and all its assets both present and future other than any asset effectively mortgaged, charged or assigned under Clause 3.2 (*Fixed Charges*) or Clause 3.3 (*Assignment by way of Security*) including any assets comprised within a Charge reconverted under Clause 3.7 (*Reconversion*) and (ii) whether or not effectively so charged or assigned, its undertaking and all of its assets both present and future located in Scotland or governed by Scots law.
- (b) The floating Charge created by each Chargor under this Clause is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 of the Insolvency Act 1986.
- (c) The floating Charges created by this Clause 3.4 (*Floating Charge*) shall be deferred in point of priority to all fixed Security validly and effectively created by a Chargor under the Loan Note Documents in favour of the Security Trustee as Security for the Secured Obligations.

3.5 Automatic crystallisation

- (a) Notwithstanding any other provision of this Deed (and without prejudice to any law which may have a similar effect), the floating charge created under this Deed will automatically be converted without notice and with immediate effect into a fixed charge as regards the Charged Assets subject to such floating charge but subject to Clause 14.3 (*Effect of moratorium*), if:
- (i) any person levies or attempts to levy any distress, execution, attachment, expropriation, sequestration or other legal process against any of those Charged Assets; or
 - (ii) any Chargor creates or attempts to create any Security or trust over any of those Charged Assets which is prohibited under the terms of the Loan Note Documents; or
 - (iii) a resolution is passed or an order is made or a petition is presented for the winding-up or administration, dissolution or reorganisation of any Chargor which (in the case of a winding-up petition) is not discharged within 14 days or in any event before such petition is heard or a resolution is passed for a creditors voluntary winding-up or a creditors' voluntary winding-up is commenced; or
 - (iv) an Administrator or Receiver is appointed in respect of a Chargor or any person (who is entitled to do so) gives notice of its intention to appoint an Administrator in respect of a Chargor pursuant to paragraphs 15 or 26 of Schedule B1 of the Insolvency Act 1986 or files such notice with the court.

3.6 Crystallisation of Floating Charge by notice

The Security Trustee may at any time by notice in writing to any Chargor convert the floating Charge created by such Chargor pursuant to Clause 3.4 (*Floating Charge*) with immediate effect into a fixed Charge as regards such assets as may be specified (whether generally or specifically) in such notice if:

- (a) a Event of Default has occurred; or
- (b) the Security Trustee (acting reasonably) considers those assets to be in jeopardy (whether due to a risk of being seized or sold pursuant to any distress, attachment, execution, sequestration or other legal process); or
- (c) the Security Trustee (acting reasonably) considers that it is necessary in order to protect the priority of Security.

3.7 Reconversion: Any Charge which has converted into a fixed charge under Clause 3.5 (*Automatic crystallisation*) or Clause 3.6 (*Crystallisation of Floating Charge by notice*) may be reconverted into a floating Charge by notice in writing given at any time by the Security Trustee to the relevant Chargor in relation to the assets specified in such notice.

3.8 Excluded assets: If the rights of any Charger under any instrument or agreement cannot be the subject of legal, valid, binding and enforceable Security pursuant to any Charges or assignment which this Deed purports to create under Clause 3.2(c) (*Monetary Claims and Related Rights*), 3.2(d) (*Intellectual Property*), 3.2(g) (*Personal Chattels*), or Clause 3.3 (*Assignment by way of Security*) without the consent of another party:

- (a) the relevant Chargor shall notify the Security Trustee promptly;

- (b) this Deed will charge all amounts which the relevant Chargor may receive, or has received, under that document; and
- (c) if the Security Trustee so requires, the relevant Chargor shall use all reasonable endeavours (which shall not require the relevant Chargor to offer monetary consideration other than to pay nominal amounts or expenses) to promptly obtain any necessary consent or waiver relating to third party arrangements (including shareholder agreements or joint venture agreements) which would otherwise prevent or prohibit such rights being charged or assigned under this Deed and, if such consent or waiver is obtained, such rights shall immediately become subject to an effective fixed charge or assignment pursuant to Clause 3.2 (*Fixed Charges*) or an assignment under Clause 3.3 (*Assignment by way of Security*) (as the case may be) and the Chargor shall promptly provide a copy of such consent to the Security Trustee.

Each Chargor shall use reasonable endeavours to ensure that instruments and agreements which it enters into after the date of this Deed do not contain restrictions which would cause them to be excluded from the charges pursuant to paragraph (c) above.

3.9 Trust: If or to the extent that for any reason the assignment or charging of any Charged Asset is prohibited, the relevant Chargor shall:-

- (a) hold that asset or right on trust for the Security Trustee as security for the payment and discharge of the Secured Obligations; and
- (b) take such steps as the Security Trustee may require to remove the impediment to assignment or charging it.

3.10 Conversion of Floating Charge affecting Scottish assets

Clauses 3.5 (Automatic crystallisation) and 3.6 (Crystallisation of floating charge by notice) of this Deed shall not apply to any Charged Asset situated in Scotland or governed by Scots law and the floating charge created by each Chargor pursuant to clause 3.4 (Floating Charge) of this Deed shall, in respect of the Charged Assets located in Scotland or governed by Scots law, be converted to a fixed charge only in accordance with Scots law.

4. GENERAL OBLIGATIONS

4.1 Negative pledge and disposals: Subject to Clause 8 (*Monetary Claims*), except with the written consent of the Security Trustee, each Chargor shall not:

- (a) create or permit to subsist any Security or Quasi-Security over any Charged Assets and Excluded Property and/or assign the benefit of an Assigned Contract or Charged Asset save as expressly permitted pursuant to the Loan Note Documents; or
- (b) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, assign, lease, license, sub-license, hire out, grant, lend or otherwise dispose of any of the Charged Assets or the equity of redemption therein or permit any person to do any such thing except as permitted pursuant to the terms of this Deed and the Loan Note Documents.

4.2 General undertakings

Each Chargor shall, promptly on request from the Security Trustee, furnish the Security Trustee with such information as the Security Trustee may reasonably require about the Charged Assets to determine the compliance by the Chargors with this Deed and the other Loan Note Documents. Each Chargor shall permit the Security Trustee, its representatives and professional advisers, free access at all reasonable times and on reasonable notice to:

- (a) inspect and take copies and extracts from the accounts and records of such Chargor; and
- (b) to view the Charged Assets.

5. FURTHER ASSURANCE

Each Chargor shall (or procure that any member of the Group shall), at its own expense, promptly do all such acts and things as the Security Trustee may reasonably require for:

- (a) creating, registering, perfecting, maintaining or protecting the Charges or any Security intended to be created by or pursuant to this Deed or any of the Charged Assets;
- (b) granting (on terms similar to that granted to the Senior Security Agent) any Security granted to the Senior Security Agent over any member of the Group at the same time as such Security is granted to the Senior Security Agent;
- (c) to the extent not already charged under this Deed, creating a fixed charge over Monetary Claims;
- (d) to the extent not already charged under this Deed, executing a Supplemental Legal Charge over Real Property owned by it; or
- (e) facilitating the realisation of any Charge after the Charge has become enforceable or the exercise of any right, power or discretion in relation to any Charged Asset or Charge vested in the Security Trustee, any Receiver or any Delegate,

including, without limitation, the execution (including by sealing) of any transfer, assignment, mortgage, charge or Security or any other document or any notice or instruction which the Security Trustee may reasonably require, including any such document, notice or instruction required to enable the Security Trustee or its nominee to obtain legal title to any Charged Assets in circumstances in which it is entitled to obtain such legal title under this Deed.

6. REAL PROPERTY

6.1 Leases restricting charging

There shall be excluded from the charge created by Clause 3.2 (*Fixed Charges*), Clause 3.4 (*Floating Charge*) and from the operation of Clause 5 (*Further assurance*) any Real Property referred to in Schedule 2 (*Details of the Scheduled Real Property*) (or, as the case may be, as specified in any Security Accession Deed) held by a Chargor under a lease or which is subject to any other property agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge or assignment over its interest in that Real Property (each an "Excluded Property") until the relevant condition or waiver has been satisfied or obtained.

6.2 Acquisition of Real Property

- (a) Each Chargor shall promptly notify the Security Trustee of any acquisition by it or on its behalf of any Real Property after the date of this Deed ("After-acquired Property").
- (b) Each Chargor shall promptly, on request of the Security Trustee and at the cost of the relevant Chargor, execute and deliver to the Security Trustee a Supplemental Legal Charge in favour of the Security Trustee over any After-acquired Property.
- (c) If any After-acquired Property is held by such Chargor under a lease or is subject to any other property agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge or assignment over its interest in that After-acquired Property ("After-acquired Excluded Property") then that Chargor shall not be required to execute and deliver to the Security Trustee any Supplemental Legal Charge referred to in paragraph (b) above until the relevant condition or waiver has been satisfied or obtained. For each After-acquired Excluded Property the relevant Chargor undertakes, at the cost of that Chargor, to:
 - (i) notify the Security Trustee that the relevant After-acquired Property is an After-acquired Excluded Property;
 - (ii) promptly, on request of the Security Trustee, apply for the relevant consent or waiver of prohibition or condition and, in respect of each such After-acquired Excluded Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use reasonable endeavours (for a reasonable amount of time) to obtain that consent as soon as possible and, if requested by the Security Trustee, to keep the Security Trustee informed of the progress of its negotiations but shall not be required to take legal proceedings;
 - (iii) notify the Security Trustee in writing upon receipt of the relevant waiver or consent; and
 - (iv) promptly upon receipt of the relevant waiver or consent execute and deliver to the Security Trustee a Supplemental Legal Charge in favour of the Security Trustee over such After-acquired Property.
- (d) If title to any After-acquired Property is or is to be registered at the Land Registry, such Chargor shall, as soon as reasonably practicable after acquisition of the After-acquired Property, notify the Security Trustee of the relevant title number and shall apply to the relevant Land Registry to enter:
 - (i) a notice of the Supplemental Legal Charge referred to in paragraph (b) or (c)(iv) above (as applicable) on the charges register of such After-acquired Property; and
 - (ii) the restriction set out in Clause 6.6(a) (*Registered land*) (as repeated in such legal mortgage) on the proprietorship register of such property.

In the case of any other After-acquired Property in England or Wales, the relevant Chargor shall apply to register this Deed at the Land Charges Registry if, for any reason, the title deeds and documents relating thereto are not deposited with the Security Trustee. In relation to any After-acquired Property anywhere else in the world, such Chargor shall take such equivalent action as the Security Trustee shall deem appropriate in accordance with the Agreed Security Principles.

6.3 Delivery of title documents: Each Chargor shall, upon the execution of this Deed or, if later, upon receipt, deposit with the Security Trustee (or as it may direct) all deeds, certificates and

other documents evidencing title relating to any Charged Real Property. If any such documents are at the relevant time at the Land Registry, such Chargor shall, promptly following a demand by the Security Trustee, provide or procure the provision to the Security Trustee of such undertakings and such letters addressed to the Land Registry as the Security Trustee may reasonably require.

6.4 Real Property undertakings: Each Chargor shall (whether in exercise of any statutory power or otherwise) comply with the provisions of Schedule 7 (*Real Property Undertakings*).

6.5 Real Property representations and warranties: Each Chargor represents and warrants to the Security Trustee that:

- (a) it is the sole legal and beneficial owner of all the Scheduled Real Property listed against its name in Schedule 2 (*Details of the Scheduled Real Property*) and no other person has any legal or beneficial interest or rights on, over or in any part of the Charged Real Property (other than as disclosed to and approved by the Security Trustee);
- (b) all of Scheduled Real Property are free from all Security (except as created by this Deed or the Subordinated Security Documents); and
- (c) except for the Scheduled Real Property, neither it nor any of its Subsidiaries owns any estate or interest in any Real Property save as disclosed to and approved by the Security Trustee prior to the date of this Deed.

6.6 Registered land

- (a) Each Chargor consents to an application being made and shall, if requested by the Security Trustee, apply to the Land Registry for a restriction in the following terms to be entered on the Proprietorship Register of such of the Charged Real Property as is now or hereafter registered at the Land Registry under the Land Registration Act 2002:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the Charge dated __ February 2019 in favour of Mr John Lightowlers in his capacity as Security Trustee referred to in the Charges Register or if appropriate signed on such proprietor's behalf by its authorised signatory."

- (b) To the extent that the Finance Parties are under an obligation to make further advances, each Chargor shall also make an application (and consents to an application being made) to the Land Registry for a note of such obligation to be entered on the Charges Register of any registered land forming part of the Charged Real Property.
- (c) Each Chargor hereby certifies, in respect of any part of its Charged Real Property title to which is registered at the Land Registry, that the Charges created by this Deed do not contravene any of the provisions of the constitution of such Chargor.

6.7 Right to remedy: If a Chargor fails to perform any obligation affecting its Charged Real Property, that Chargor shall allow the Security Trustee or its agents and contractors:

- (a) to enter any part of its Charged Real Property and carry out any repairs or other works which the Chargor has failed to do; and

- (b) to comply with or object to any notice served on that Chargor in respect of its Charged Real Property.

and the Chargor shall reimburse the Security Trustee on demand for all costs and expenses incurred by the Security Trustee in doing so together with interest from the date of payment by the Security Trustee until the reimbursement calculated in accordance with Clause 2.2 (*Interest*).

7. INVESTMENTS

7.1 Deposit of documents

Each Chargor shall promptly at the Security Trustee's request deposit with the Security Trustee (or as the Security Trustee directs):

- (a) all certificates and other documents of title or evidencing title in respect of each of the Scheduled Investments listed against its name in Schedule 4 (*Details of the Scheduled Investments*) and each of the other Charged Investments belonging to it (other than bearer Investments which shall only be delivered if so required by the Security Trustee);
- (b) all stock transfer forms and other documents which the Security Trustee may request in such form and executed in such manner as the Security Trustee may require with a view to perfecting or maintaining the Charges over the Charged Investments or registering any Charged Investment in the name of the Security Trustee or its nominees; and
- (c) declarations of trust in relation to any Investments in which a Chargor has an interest but which are not held in its sole name as required by the Security Trustee.

All documents required by this Clause 7.1 shall be in such form as the Security Trustee shall require.

7.2 Voting rights and distributions

- (a) Until the Charges have become enforceable, the relevant Chargor shall be entitled to:
 - (i) receive and retain all dividends, distributions and other amounts paid on or derived from any shares or stock comprised in its Charged Investments; and
 - (ii) exercise or direct the exercise of the voting rights and other rights and powers attached to its Charged Investments in any manner as it sees fit other than in a manner which:
 - (A) is in breach of any Loan Note Document or which may adversely affect the validity or enforceability of the Charges or the value of such Charged Investments; or
 - (B) would cause the Security Trustee or its nominee to incur any cost or expense or render itself subject to any liability for which it has not previously been indemnified to its satisfaction) or would otherwise prejudice the Security Trustee.
- (b) After the Charges have become enforceable:

- (i) the Security Trustee or any applicable Receiver may at its discretion (in the name of the relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor) but shall not be obliged to:
 - (A) transfer the Charged Investments of each Chargor on behalf of the relevant Chargor to such nominee as the Security Trustee shall select;
 - (B) receive and retain all dividends, distributions and other moneys paid on the Charged Investments and apply the same in accordance with Clause 16.1 (*Application*); and
 - (C) exercise any voting rights and any other rights and powers attached to any Charged Investments in such manner as it considers fit as if it were the sole beneficial owner of the Charged Investment (including all powers given to trustees under Part II of the Trustee Act 2000);
- (ii) each Chargor shall comply, or procure the compliance, with any directions of the Security Trustee or any Receiver in respect of the exercise of any rights and powers exercisable in relation to such Charged Investments and shall promptly execute and/or deliver to the Security Trustee or any Receiver such forms of proxy as it or he requires with a view to enabling such person as it or he selects to exercise those rights; and
- (iii) any Derivative Rights shall, if received by the Chargor or its nominee, be held on trust for and forthwith paid or transferred to the Security Trustee or the Receiver.

7.3 Notification of dividends

Each Chargor shall promptly notify the Security Trustee of the declaration, payment, allotment, offer or issue of any dividend, distribution or other Related Right accruing or deriving from the Charged Investments.

7.4 Calls

- (a) Each Chargor shall promptly pay all calls or other payments which may at any time become due in respect of any of its Charged Investments.
- (b) If a Chargor fails to comply with paragraph (a) above, the Security Trustee may, if it thinks fit, pay such calls or other payments on behalf of the relevant Chargor. Such Chargor shall promptly on request from the Security Trustee reimburse the Security Trustee for any such payment plus interest from the date of payment by the Security Trustee until the date of reimbursement at the rate and in accordance with Clause 2.2 (*Interest*).

7.5 Offers

If any Investments are offered for subscription or purchase by way of rights in respect of any of the Charged Investments:

- (a) if those Investments are vested in any Chargor or its nominee, such Chargor shall forthwith notify the Security Trustee of the offer and if the Security Trustee so requires by notice to such Chargor and it is commercially reasonable to do so, such Chargor shall

accept or procure the acceptance of the offer and make any payments required in connection with such acceptance; or

- (b) if those Investments are vested in the Security Trustee or its nominee and if the Security Trustee so requires by notice to such Chargor and it is commercially reasonable to do so, such Chargor shall immediately put the Security Trustee in funds to enable it or its nominee to accept the offer and make any payments required in connection with such acceptance.

7.6 Representations regarding Investments

Each Chargor represents and warrants to the Security Trustee that:

- (a) subject to the Subordinated Security Documents, it is the sole legal and beneficial owner of the Scheduled Investments listed against its name in Schedule 4 (*Details of the Scheduled Investments*);
- (b) such Investments are free from all Security, options and other third party rights (except as created by this Deed or the Subordinated Security Documents);
- (c) its Scheduled Investments and, where applicable, its other Investments are fully paid;
- (d) the constitutions of the Scheduled Investments do not restrict or otherwise limit the relevant Chargor's right to transfer or charge such Scheduled Investments;
- (e) neither it nor any member of the Group is or has at any time been an employer (for the purposes of sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pensions Schemes Act 1993); and
- (f) neither it nor any member of the Group has been issued with a Pensions Notice or received any written communication from the Pensions Regulator that on its face is preparatory to the issue of a Pensions Notice.

8. MONETARY CLAIMS

8.1 Dealing with Monetary Claims

- (a) Save as permitted by the Loan Note Documents, no Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to release, sell, transfer, assign, factor, discount or otherwise deal in any way with any of the Monetary Claims except as required by paragraph (b) below.
- (b) Each Chargor shall get in and realise in a prudent manner (on behalf of the Security Trustee) all its Monetary Claims and pay such moneys into a Bank Account or, after the Charges have become enforceable, as the Security Trustee may require. Each Chargor shall hold such moneys on trust for the Security Trustee on behalf of the Finance Parties prior to such payment in.

8.2 Release of Monetary Claims

- (a) Prior to the Charges becoming enforceable, the proceeds of the realisation of the Monetary Claims received by any Chargor shall, upon such proceeds being credited to a Bank Account (other than any Relevant Account), be released from the fixed charge

created by Clause 3.2(c) (*Monetary Claims*) and only be subject to the floating Charge created by Clause 3.4 (*Floating Charge*) and the relevant Chargor may withdraw such proceeds from such Bank Accounts and shall be free to deal with such moneys or proceeds in the ordinary course of business, subject to any applicable restrictions set out in the Loan Note Documents and this Deed.

- (b) After the Charges have become enforceable, each Chargor shall not, except with the prior written consent of the Security Trustee, be entitled to withdraw or otherwise transfer the proceeds of realisation of any Monetary Claims standing to the credit of any Bank Account and shall:
 - (i) pay all moneys received or receivable by it from any source (including all proceeds of collection of Monetary Claims) into such Collection Accounts as are specified by the Security Trustee; and
 - (ii) give notice to the debtors of any of its Monetary Claims of the Security created by this Deed in such form as the Security Trustee may require.

9. BANK ACCOUNTS

9.1 Notification, maintenance and variation

Each Chargor shall:

- (a) promptly after any Bank Account becomes charged pursuant to this Deed (and in the case of each Bank Account in existence on the date hereof, within five (5) Business Days of the date hereof), deliver to the Security Trustee a duly completed notice in respect of each Bank Account in the relevant form set out in Schedule 6 (*Notices for Bank Accounts*) (as applicable) or in such other form as the Security Trustee may approve;
- (b) use all reasonable endeavours to procure the prompt delivery to the Security Trustee of a duly completed acknowledgement in respect of any notice delivered pursuant to paragraph (a) above in the relevant form set out in Schedule 6 (as applicable) or in such other form as the Security Trustee may approve, acting reasonably;
- (c) deliver to the Security Trustee on the date of this Deed (and, if any Bank Account becomes charged by this Deed thereafter, on the date falling five Business Days after such Bank Account becomes charged), details of each Bank Account maintained by such Chargor (other than with the Security Trustee); and
- (d) not without the Security Trustee's prior written consent,
 - (i) permit or agree to any variation of the rights attached to any Bank Account the result of which is materially prejudicial to the Finance Parties; or
 - (ii) close any Bank Account unless (i) such Bank Account is not a Relevant Account, (ii) such Bank Account is no longer required by the Group, (iii) the Security Trustee receives five Business Days' notice prior to the closing of such Bank Account and (iv) any credit balance held in such Bank Account is transferred to another bank account over which Security is granted in favour of the Security Trustee or such credit balance is otherwise applied in a manner permitted (or not prohibited) by the Loan Note Documents.

If any Account Bank on the date of this Deed fails to return an acknowledgement referred to in paragraph (b) above or agree, in a manner satisfactory to the Security Trustee, to the matters referred to in the acknowledgement, within eight weeks of delivery of the notice to it, it will, unless the Security Trustee agrees otherwise, cease to be approved for the purposes of this Clause 9.1.1. Any person which becomes an Account Bank after the date of this Deed will not, unless the Security Trustee agrees otherwise, be an approved Account Bank for the purposes of this Clause 9.1 until it has returned such an acknowledgement or has agreed, in a manner satisfactory to the Security Trustee, to the matters referred to in the acknowledgement. The execution of this Deed by a Chargor and the Security Trustee shall constitute notice to the Security Trustee of the Security created over any Bank Account opened or maintained with the Security Trustee.

9.2 Location of Bank Accounts

- (a) Each Chargor shall maintain all its Bank Accounts with a branch of the Security Trustee or another Account Bank approved by the Security Trustee in accordance with Clause 9.1 above
- (b) Each Chargor which maintains a Bank Account which is not in compliance with paragraph (a) above shall transfer the Bank Account to an Account Bank which complies with paragraph (a) promptly after the date of this Deed.

9.3 Operation of Bank Accounts

- (a) Until the Charges become enforceable, the Chargors shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account (other than any Relevant Account) subject to the terms of the Loan Note Documents.
- (b) After the Charges have become enforceable, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account except with the prior written consent of the Security Trustee.

9.4 Application of moneys

- (a) The Security Trustee (or its Receiver) may (subject to the Intercreditor Deeds) apply, transfer or set-off any credit balances from time to time on any Bank Accounts in or towards payment or satisfaction of all or part of the Secured Obligations in accordance with Clause 16.1 (*Application*) after the Charges have become enforceable or at any time when the Finance Parties are entitled to exercise the relevant set-off rights under the terms of the Loan Note Documents.
- (b) Save as provided in this Clause 9 (*Bank Accounts*), each Chargor shall not release, sell, transfer, assign, factor, discount or otherwise deal in any way with any of the Bank Accounts other than in a manner which is not prohibited by the Loan Note Documents.

9.5 Relevant Accounts

No Chargor may withdraw or otherwise transfer any credit balance from time to time on any Relevant Account, unless expressly permitted to do so by the Loan Note Documents or with the consent of the Security Trustee.

9.6 Exercise of rights following enforcement by Security Trustee

After the Charges have become enforceable, the Security Trustee shall be entitled without notice to exercise all rights and powers held by it in relation to the Bank Accounts and to:

- (a) demand and receive any moneys due under or arising out of each Bank Account; and
- (b) exercise all rights the relevant Chargor was then entitled to exercise in relation to the Bank Accounts or would, but for this Deed, be entitled to exercise.

10. INTELLECTUAL PROPERTY

10.1 Intellectual Property licence agreements restricting charging, etc.

There shall be excluded from Clause 3.2(*Fixed Charges*), Clause 3.3 (*Assignment by way of Security*) or Clause 3.4 (*Floating Charge*) any Intellectual Property licence agreement where Clauses 3.2, 3.3 or 3.4 would breach the terms of that licence agreement (an "Excluded IP Licence").

10.2 Intellectual Property undertakings

- (a) Each Chargor undertakes that it shall, in respect of its present and future Intellectual Property:
 - (i) duly pay all fees for the Intellectual Property registrations;
 - (ii) not amend, abandon or cancel the Intellectual Property registrations;
 - (iii) duly maintain the prosecution of the Intellectual Property applications (including payment of all fees);
 - (iv) continue to use the trade marks in all countries and in respect of all goods and services for which they are currently used by any Chargor;
 - (v) promptly seek to prevent any material infringement of the Intellectual Property.
- (b) Each Chargor undertakes that, in respect of its present and future Intellectual Property, it shall:
 - (i) not consent to the trade mark application of another person;
 - (ii) not make any admissions that are prejudicial to the validity of the intellectual Property;
 - (iii) not grant any exclusive or sole licences in respect of the Intellectual Property;
 - (iv) not grant any non-exclusive licences other than in the ordinary course of business and on ordinary terms.

10.3 Representations regarding Intellectual Property

Each Chargor represents and warrants to the Security Trustee at the date hereof that it is the sole legal and beneficial owner of the Scheduled Intellectual Property listed against its name in Schedule 3 (*Details of the Scheduled Intellectual Property*) free from all Security other than the Security created by this Deed and the Subordinated Security Documents.

11. INSURANCE

11.1 Notices

Each Chargor shall promptly serve (with a copy to the Security Trustee) a Notice of Insurance Assignment to the brokers or underwriters of each Insurance Policy and each Chargor shall use all its reasonable endeavours to procure the prompt delivery to the Security Trustee of a duly completed acknowledgement in the form set out in Part 2 (*Form of Notice of Assignment to Insurers*) of Schedule 9 or in such other form as the Security Trustee may approve.

11.2 Insurance undertakings

- (a) Each Chargor shall maintain insurances on and in relation to the Charged Assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.
- (b) All insurances shall be with reputable independent insurance companies or underwriters.
- (c) Such Chargor shall also comply with any obligations imposed on it by any tenancy agreement or lease to insure or to reimburse the landlord under such tenancy or lease for any costs of insurance incurred by such landlord.
- (d) The insurance required to be effected pursuant to paragraph (a) above shall be in an amount which is not less than the aggregate cost of rebuilding, reinstating or replacing such Charged Assets in the event of their being completely destroyed, together with architects' and surveyors' fees and demolition costs, the costs of shoring up and three years' loss of rent/profit.
- (e) Any such insurance shall be in the joint names of the Security Trustee and the relevant Chargor or, at the option of the Security Trustee, such Chargor shall procure that a note of each Finance Party's interest is endorsed upon all policies of insurance maintained by that Chargor or any person on its behalf in respect of its Charged Assets.

11.3 Application of moneys

Any moneys received under any Insurance Policies relating to Charged Assets shall be applied (subject to the terms of the Intercreditor Deeds and any person having prior rights to such moneys):

- (a) prior to the occurrence of a Event of Default which is continuing in accordance with the Loan Note Documents; and
- (b) following a Event of Default, the Chargor shall hold such moneys upon trust for the Security Trustee pending payment to the Security Trustee for application in accordance with Clause 16.1 (*Application*).

11.4 Premiums, etc.

- (a) Each Chargor shall:
 - (i) promptly pay all premiums and other moneys payable under its Insurance Policies required to be maintained under this Deed;

- (ii) promptly on request by the Security Trustee, produce to the Security Trustee a copy of each policy effected by it and the related premium receipts and of such other documents relating to the Insurance Policies, as the Security Trustee shall require; and
 - (iii) (if required by the Security Trustee), but subject to the provisions of any lease of Charged Assets, deposit all its Insurance Policies with the Security Trustee.
- (b) If a Chargor fails to comply with its obligations under this Clause 11 (*Insurance*), the Security Trustee (acting reasonably) may effect such insurance as it thinks fit and the relevant Chargor shall reimburse the Security Trustee on demand for the cost of effecting such insurance, together with interest thereon (calculated in accordance with Clause 2.4 (*Interest*)).

12. ASSIGNED CONTRACTS

12.1 Assigned Contracts

- (a) Each Chargor shall, on the date of this Deed (or the date on which the relevant Additional Material Contract is assigned pursuant to Clause 3.3(c) (*Assignment by way of Security*) (if later)) give notice of the assignments in Clause 3.3 (*Assignment by way of Security*) in relation to the Assigned Contracts substantially in the form set out in Schedule 9 (*Notices of Assignment*) (or in such other form as is acceptable to the Security Trustee) and shall use all reasonable endeavours to ensure (or, if the counterparty to the Assigned Contract is a member of the Group or a direct or indirect Holding Company of that member of the Group, shall ensure) that each recipient of any notice promptly signs and returns the relevant form of acknowledgement requested in that notice.
- (b) This Deed constitutes notice in writing to each Chargor of any Security over any debt owed by that Chargor to any other member of the Group or over any contract or agreement between that Chargor and any other member of the Group whether created under this Deed or any other Security Document.
- (c) Each Chargor shall remain liable to perform all its obligations under each Assigned Contract in accordance with the terms thereof. Neither the Security Trustee nor any Receiver or Delegate shall be under any obligation or liability to any Chargor or any other person under or in respect of any Assigned Contract.
- (d) Each Chargor undertakes that if it acquires any rights in, or enters into, any Material Contract after the date of this Deed:
 - (i) it shall use its reasonable endeavours to ensure that any such contract shall not contain a restriction on the creation of any Charges contemplated under this Deed over such contract; or
 - (ii) if the consent of any third party is required for the Chargor to create any Charges under this Deed over such contract, the Chargor shall use all reasonable endeavours to obtain such consent and notify the Security Trustee in writing upon receipt of such consent

provided, in each case, to the extent commercially reasonable to do so and such Chargor shall not be required to pay any materially increased amount (or materially reduce its fees) in order to exclude such provisions or acquire such consent.

12.2 No variation, etc.

No Chargor shall without the prior written consent of the Security Trustee (in respect of (a) or (d) below, in any manner which could reasonably be expected to affect adversely the Finance Parties in any material aspect):

- (a) amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of an Assigned Contract;
- (b) exercise any right to rescind, cancel or terminate an Assigned Contract;
- (c) release any counterparty from any obligations under an Assigned Contract;
- (d) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute such a breach; or
- (e) except as provided in this Deed or the Loan Note Documents, novate, transfer or assign any of its rights under an Assigned Contract.

12.3 Breach

Each Chargor shall notify the Security Trustee of:

- (a) any breach of or default under an Assigned Contract by it or any other party;
- (b) any right of it or any other party arising to rescind, cancel or terminate an Assigned Contract; and
- (c) the details of any material claim which is current, threatened or pending in respect of an Assigned Contract,

promptly on becoming aware of the same.

13. FIXTURES AND PERSONAL CHATTELS

- (a) Each Chargor undertakes that it shall maintain in good working order and condition (reasonable wear and tear excepted) all Personal Chattels necessary in the conduct of its business.
- (b) If so requested by the Security Trustee following a Event of Default, each Chargor undertakes that it shall place and maintain on each Scheduled Personal Chattel and each other Personal Chattel subject to a fixed charge hereunder, in a conspicuous place, an identification marking as appears below and not conceal, alter or remove such marking or permit it to be concealed, altered or removed:

"NOTICE OF CHARGE"

This [specify nature of Personal Chattel] and additions and ancillary equipment are subject to a first fixed charge in favour of "Mr John Lightowlers in his capacity as security trustee".

- (c) Each Chargor represents and warrants to the Security Trustee for itself and for and on behalf of the Finance Parties that the Scheduled Personal Chattels listed against its name in Schedule 5 (*Details of the Scheduled Personal Chattels*) are beneficially owned by such Chargor free from all Security, options and other third party rights (except as created by this Deed or the Subordinated Security Documents).

14. ENFORCEMENT

- 14.1 Power of sale:** The power of sale or other disposal and other powers 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 and other powers conferred on mortgagees under section 101 of the LPA and such powers shall arise on the date of this Deed free from the restrictions imposed by section 103 of the LPA, which shall not apply to the Charges.

14.2 Enforceability of Security

- (a) For the purposes of all powers implied by the LPA or any other applicable statute, the Secured Obligations shall be deemed to have become due and payable upon the date of this Deed.
- (b) Save as provided in Clause 14.3 (*Effect of moratorium*) below, the Security created by or pursuant to this Deed shall become immediately enforceable upon the occurrence of an Event of Default and the power of sale conferred by section 101 of the LPA and all other powers conferred on mortgagees and Receivers by law (as varied and extended by this Deed) shall be exercisable in relation to the Charges and the Security Trustee may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion, take possession, hold or dispose of any Charged Asset at any time after the Charges have become enforceable.
- (c) The statutory power of leasing conferred upon the Security Trustee shall be extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee thinks fit and without the need to comply with any of the provisions of sections 99 and 100 of the LPA and any lease granted will bind any holder of a subsequent Security deriving title under the Security Trustee.

- 14.3 Effect of moratorium:** The Charges will not become enforceable solely as a result of any person obtaining or taking steps to obtain a moratorium under Schedule A1 of the Insolvency Act 1986.

- 14.4 Contingencies:** If the Charges are enforced at a time when no amount is due under the Loan Note Documents but at a time when amounts may or will become due, the Security Trustee (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

- 14.5 Renewal of deposits:** Without prejudice to any right of set-off any Finance Party may have under any other Loan Note Document or otherwise, if any time deposit matures on any account a Chargor has with any Finance Party prior to the Discharge Date when:

- (a) the Charges have become enforceable; and
- (b) no Secured Liability is at that time due and payable,

that time deposit will automatically be renewed for any further period which that Finance Party considers appropriate.

- 14.6 Right of appropriation: financial collateral:** To the extent that any of the Charged Assets constitute "financial collateral" and this Deed and the obligations of any Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)(the "Regulations")), the Security Trustee shall have the right following enforcement of this Deed to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the relevant Chargor. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be:

- (a) in the case of cash, the amount standing to the credit of each of the Bank Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and
- (b) in the case of Investments, the market price of such Investments determined by the Security Trustee by reference to a public index or by such other process as the Security Trustee may select, including independent valuation.

In each case, the parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

15. APPOINTMENT AND RIGHTS OF RECEIVERS AND ADMINISTRATORS

15.1 Appointment of Receivers and Administrators

- (a) If:
 - (i) an Event of Default occurs;
 - (ii) so requested by the relevant Chargor; or
 - (iii) subject to Clause 14.3 (*Effect of moratorium*), a petition is presented or application made for the appointment of an administrator, a liquidator or a provisional liquidator in respect of the relevant Chargor or notice is given by any person entitled to do so of the intention to appoint an Administrator or such notice is filed with the court,

the Security Trustee may, by deed or otherwise in writing signed by any officer of the Security Trustee or any other person authorised by the Security Trustee for this purpose without the prior consent of the relevant Chargor:

- (A) appoint one or more persons to be Receiver of any Charged Assets of the relevant Chargor and/or appoint two or more Receivers of separate parts of the Charged Assets; or
- (B) when permitted by law, appoint one or more persons to be an Administrator of the relevant Chargor pursuant to paragraph 14 of Schedule B of the Insolvency Act 1986; or

- (C) (subject to any requirement for a court order under the Insolvency Act 1986 or any other applicable insolvency law) remove any Receiver so appointed and, at its option, appoint another person(s) to be an additional or replacement Receiver.
- (b) If more than one person is appointed Receiver or Administrator of any assets, each Receiver or Administrator may act either jointly or severally unless the document appointing him states otherwise.
- (c) Section 109(1) of the LPA does not apply to this Deed.
- (d) The powers of appointment of a Receiver under this Deed shall be in addition to all other statutory and other powers of appointment of the Security Trustee under the LPA or otherwise.

15.2 Rights of Receivers: Any Receiver appointed pursuant to this Deed 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 any other assets which when got in, would be Charged Assets) in relation to which he is appointed:

- (a) all the rights, powers, privileges and immunities conferred on an administrative receiver or other receivers duly appointed under the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (b) all the powers conferred by the LPA or any other applicable law on mortgagees, mortgagees in possession and on receivers; and
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do.

In addition, a Receiver shall be entitled (either in his own name or in the name of the relevant Chargor or any trustee or nominee for the relevant Chargor) or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit and either alone or jointly with any other person:

- (a) **Take possession:** to enter upon, take possession of, get in and collect the Charged Assets, to require directors of such Chargor to call up unpaid share capital and to take action to enforce payment of unpaid calls and to require payment to him or the Secured Parties of any Monetary Claims or credit balance on any Bank Account;
- (b) **Carry on business:** to manage or carry on any business of such Chargor;
- (c) **Contracts:** to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which the Chargor is a party to the extent necessary to dispose of the Charged Assets and to perform its obligations;
- (d) **Deal with Charged Assets:** to sell, transfer, assign, exchange, hire out, lend or otherwise dispose of, convert into money or realise the Charged Assets (including any Fixtures, other than landlord's fixtures, which may be severed and sold separately from the Real Property containing them) either by public offer or auction, tender or private contract to any person on any terms and for a consideration of any nature he thinks fit;

(e) New Subsidiary:

- (i) to form or procure the formation of any new corporation, trust or partnership (a "new vehicle");
- (ii) to subscribe for or acquire any Investment in such new vehicle;
- (iii) to transfer or transfer any right in or grant any lease or licence in any Charged Assets to such new vehicle; and
- (iv) to sell, transfer, assign, exchange or otherwise dispose of any such investments or any rights attaching thereto;
- (f) Borrowings:** to borrow or raise money either unsecured or on the Security of the Charged Assets either in priority to the Charges or otherwise and on such terms as he thinks fit;
- (g) Covenants and guarantees:** to lend money or advance credit to any customer of a Chargor, enter into bonds, covenants, commitments, guarantees, indemnities or like matters and to make all requisite payments to effect, maintain or satisfy the same;
- (h) Rights of ownership:** to the extent permitted by law to manage and use the Charged Assets and to exercise and do (or permit the relevant Chargor or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if he were the absolute beneficial owner of the Charged Assets;
- (i) Leases and tenancies:** to grant leases, tenancies or licences and rights of user in relation to any Charged Assets to any person on any terms and for any rent or fee, to agree to any change to such terms or rent and to accept any surrender of such lease, tenancy, licence or rights of user on any terms (including the payment of any surrender premium) and to make agreements and arrangements with and make allowances to any lessees, tenants or other persons from whom any rents and profits may be payable, in each case it shall think fit;
- (j) Repairs:** to effect any repairs or improvements to or insurance on, or do any act which he may think desirable to protect or improve, any Charged Asset or any business of any Chargor or make it more productive, to carry out and/or complete any building operations and to apply for and maintain any planning permissions, building regulation approvals and other consents, in each case as he thinks fit;
- (k) Proceedings and claims:** to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets or the business of the relevant Chargor;
- (l) Compromise of claims:** to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Chargor or relating in any way to the Charged Assets;
- (m) Redemption of Security:** to redeem any Security (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of encumbrancers;

- (n) **Employment:** to appoint and discharge officers, employees, agents and advisors and others for the purposes of this Deed and to discharge any person appointed by the relevant Chargor;
- (o) **Receipts:** to give a valid receipt for any moneys and execute any document which is necessary or desirable for realising any Charged Assets;
- (p) **Insolvency Act 1986:** to exercise all powers set out in Schedule 1 or Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1, Schedule B1 or Schedule 2, as the case may be, after the date of this Deed; and
- (q) **Other powers:** to do all such other acts and things the Receiver may consider necessary or expedient for preserving, improving or realising the Charged Assets or the getting in and collection of the Charged Assets (or any assets which when got in would constitute Charged Assets) or which are incidental to the exercise of any of the rights, powers and discretions conferred on the Receiver under or by virtue of this Deed or by law.

Each of the powers specified in each of the above paragraphs shall (except as otherwise provided) be distinct and shall not be in any way limited by reference to any other paragraph or the order in which they appear.

15.3 Agent of Chargor: Any Receiver shall be the agent of the relevant Chargor for all purposes unless and until the relevant Chargor goes into liquidation after which time the Receiver shall act as principal and shall not become agent of the Finance Parties. Subject to any applicable law, the Chargors alone shall be responsible for his contracts, engagements, acts, omissions, defaults and liabilities. No Finance Party shall incur any liability by reason of the appointment of a Receiver under this Deed.

15.4 Remuneration: The Security Trustee may from time to time determine the remuneration of any Receiver and the maximum rate specified in section 109(6) of the LPA will not apply. The Security Trustee may direct payment of such remuneration out of moneys accruing to the Receiver but the Chargors alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver.

16. DISTRIBUTION

16.1 Application: All moneys from time to time received or recovered by the Security Trustee or a Receiver or Delegate pursuant to this Deed or pursuant to the powers conferred by it shall (subject to the terms of the Intercreditor Deeds and the payment of any liabilities having priority to the Secured Obligations by law and by way of variation of the provisions of the LPA), be applied in the following order:

- (a) in or toward the payment of or provision for all costs, losses, liabilities and expenses incurred by the Security Trustee or any Receiver or Delegate under or in connection with this Deed or their appointment and the Receiver's remuneration due in connection with this Deed;
- (b) in or toward discharge of the Secured Obligations in accordance with the Intercreditor Deeds; and
- (c) in payment of any surplus to the relevant Chargor or other person entitled thereto.

17. SECURITY TRUSTEE'S RIGHTS

17.1 General rights: All or any of the rights which are conferred by this Deed (either expressly or impliedly) or by law upon a Receiver may be exercised after the Charges become enforceable by the Security Trustee or, to the extent permitted by law, an Administrator, irrespective of whether the Security Trustee shall have taken possession or appointed a Receiver of the Charged Assets.

17.2 Redemption of prior Security:

- (a) Subject to the Intercreditor Deeds and Clause 14.3 (*Effect of moratorium*), in the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security or upon the exercise of any power of sale under this Deed by the Security Trustee or any Receiver, the Security Trustee may at any time redeem any Security having priority to any Charges or procure the transfer of that Security to itself and may settle the accounts of the prior encumbrancer and any accounts so settled shall, in the absence of manifest error, be conclusive and binding on each Chargor.
- (b) Each Chargor shall, on demand by the Security Trustee, pay to the Security Trustee all the costs and expenses incurred by it in connection with any such redemption or transfer.
- (c) All the rights conferred by a prior charge upon the chargee or any receiver thereunder shall be exercisable by the Security Trustee or a Receiver in like manner as if the same were expressly included herein and the Security Trustee shall be entitled to exercise all the rights of a receiver appointed thereunder.

17.3 Delegation:

- (a) The Security Trustee, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period any of the rights, powers or discretions vested in it under this Deed.
- (b) That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that the Security Trustee, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Finance Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct, omission or default on the part of any such delegate or sub delegate.

17.4 Continuation of accounts: At any time following the commencement of the winding-up of any Chargor or if any Finance Party receives notice or is deemed to have received notice of any subsequent Security affecting the Charged Assets or of any assignment or transfer, the Finance Party may open a new account with it in the name of such Chargor. If the Finance Party does not open a new account, it shall nevertheless be treated as if it had done so at the time when the winding-up commenced or the Finance Party received, or was deemed to have received, notice of such subsequent Security. All payments made thereafter by a Chargor to that Finance Party shall 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 as at the time when the winding-up commenced or the Security Trustee received such notice.

- 17.5 Retention of documents:** The Security Trustee shall be entitled to continue to retain any document delivered to it under this Deed relating to a Charged Asset until the Charges over such Charged Asset are released in accordance with this Deed. If, for any reason, it ceases to hold any such document before such time, it may by notice to the relevant Chargor require that the relevant document be redelivered to it and the relevant Chargor shall promptly comply with that requirement or procure that it is complied with.
- 17.6 Custody:** The Security Trustee shall be entitled to keep all certificates and documents of title relating to the Charged Assets in safe custody at any of its branches or otherwise provide for their safe custody by third parties and shall not be responsible for any loss or damage occurring to or in respect thereof unless such loss or damage shall be caused by its own gross negligence or wilful misconduct.
- 17.7 Recovery of debts:** The Security Trustee and any manager or officer of the Security Trustee or of any branch is hereby irrevocably empowered on or after the date the Charges are first enforced to receive all Monetary Claims and on payment to give an effectual discharge therefor and on non-payment to take (if the Security Trustee in its sole discretion so decides) all steps and proceedings either in the name of each Chargor or in the name of the Security Trustee for the recovery thereof and also to agree accounts and to make allowances and to give time to any surety. Neither the Security Trustee nor any Receiver shall be obliged to make any enquiry as to the sufficiency of any sums received in respect of any Monetary Claims or to make any claims or take any other action to collect or enforce the same.
- 18. RESPONSIBILITIES OF SECURITY TRUSTEE, RECEIVERS AND DELEGATES**
- 18.1 No obligation to remain in possession:** If the Security Trustee, any Receiver or any Delegate shall take possession of the Charged Assets, it may from time to time in its absolute discretion relinquish such possession.
- 18.2 No liability as mortgagee in possession:** Neither the Security Trustee nor any Receiver or Delegate will be liable, by reason of entering upon or into possession of a Charged Asset (or viewing or repairing any Charged Assets or otherwise), to account as mortgagee in possession in respect of any Charged Assets or for any loss upon realisation or for any neglect, default or omission in respect of any Charged Assets for which a mortgagee in possession might otherwise be liable.
- 18.3 Security Trustee's obligation to account:** Neither the Security Trustee nor any Receiver or Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason):
- (a) be liable to account to any Chargor or any other person for anything except the Security Trustee's own actual receipts which have not been distributed or paid to such Chargor or the persons entitled (or at the time of payment believed by the Security Trustee to be entitled) thereto; or
 - (b) be liable to such Chargor or any other person for any costs, losses, liabilities or
 - (c) expenses related to any realisation of any Charged Assets or from any act, default, omission or misconduct of the Security Trustee, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Charged Assets or in connection with any Loan Note Document unless caused by its own gross negligence or wilful misconduct.

19. POWER OF ATTORNEY

19.1 Appointment: Each Chargor by way of Security irrevocably appoints the Security Trustee, every Receiver and every Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (a) to do all acts and things which such Chargor is obliged to do under this Deed (or any other Loan Note Document) but has failed to do, including, without limitation:
 - (i) to fill in the name of the transferee and to date and complete any instrument of transfer in respect of any Charged Investments which has been executed in blank by such Chargor and, in the case of registered Charged Investments, to procure the registration of the transferee as the holder of the relevant Charged Investments in circumstances in which the Charged Investments are to be transferred under the terms of this Deed;
 - (ii) to execute charges over, transfers, conveyances, assignments and assurances of, and all other instruments, notices, orders and directions relating to, the Charged Assets; and
 - (iii) to register or renew registration of the existence of the Charges or the restrictions on dealing with the Charged Assets in any register;
- (b) to transfer any interest in any Charged Assets in the circumstances in which such transfer may be required under this Deed, including on an enforcement of the Charges over such Charged Assets; and
- (c) to exercise any right conferred on the Security Trustee, any Receiver or any Delegate in relation to the Charged Assets under this Deed or any other Loan Note Document or by law after such right has become exercisable.

19.2 Ratification: Each Chargor agrees to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of the power of attorney granted by Clause 19.1 (*Appointment*).

19.3 Sums recoverable: All moneys expended by the Security Trustee, any Receiver, any Delegate or any attorneys shall be recoverable from the Chargor under Clause 20 (*Expenses, stamp duty and indemnities*) below.

20. PROTECTION OF THIRD PARTIES

20.1 No duty to enquire: No person dealing with the Security Trustee, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether any right which the Security Trustee or any Receiver or Delegate is purporting to exercise or any of its powers has arisen or become exercisable;
- (b) whether the Secured Obligations have become payable or any amount remains outstanding under the Loan Note Documents;
- (c) as to the application of any money borrowed or raised or paid to the Security Trustee or any Receiver, Administrator or Delegate; or
- (d) as to the propriety or regularity of such dealings.

- 20.2 **Receipt:** The receipt of the Security Trustee or any Receiver or Delegate shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Assets or in making any acquisition, the Security Trustee or any Receiver may do so for any such consideration, in such manner and on such terms as it thinks fit.
- 20.3 **Statutory protection:** All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Trustee, any Finance Party, any Receiver or any Delegate.

21. EXPENSES AND INDEMNITIES

- 21.1 **Expenses:** Each Chargor shall on demand pay to and reimburse the Security Trustee or any other Finance Party, Receiver, Delegate, agent or attorney, on the basis of a full indemnity, all costs and expenses (including legal fees and other out of pocket expenses and any VAT incurred by the Security Trustee or any other Finance Party, Receiver, Delegate, agent or attorney in connection with this Deed and shall indemnify them against any failure to pay such amounts including any amounts arising from any actual or alleged breach of any Environmental Law or other law.
- 21.2 **Indemnity:** Each Chargor shall, notwithstanding any release or discharge of all or any part of the Security, indemnify the Security Trustee, its attorneys and any Receiver.

22. PAYMENTS

- 22.1 **Certificates:** A certificate, determination, notification or opinion of the Security Trustee or any other Finance Party as to the amount of the Secured Obligations or any other matter connected with this Deed or the Charges shall, in the absence of manifest error, be conclusive evidence of the matters to which it relates.
- 22.2 **Payments:** All payments under or pursuant to this Deed (including damages in respect of breaches hereof) shall be made in accordance with the Loan Note Documents and the Intercreditor Deeds or in such other manner as the Security Trustee may agree and direct.

23. EFFECTIVENESS OF SECURITY

- 23.1 **Chargors' obligations continuing:** Each Chargor's obligations under Clause 2 (*Covenant to pay*) and the Charges are continuing obligations and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.
- 23.2 **Cumulative rights:** The rights and remedies provided in this Deed are cumulative and in addition to and independent of and not in any way prejudiced by any rights or remedies provided by law or any other Security, guarantees or rights of set-off or combination thereof held by any Finance Party.
- 23.3 **Failure to exercise rights:** No failure by the Security Trustee to exercise or delay in the exercise of any right or remedy under this Deed will operate as a waiver thereof nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy.
- 23.4 **Immediate recourse:** This Deed and the Chargors' obligations under this Deed are in addition to, and not to be prejudiced by or to be merged with, any other guarantee, indemnity

or Security at any time existing in favour of any person. Each Chargor waives any right it may have to require any Finance Party (or any trustee or agent on its behalf) to make demand of, proceed against or enforce any other rights or Security or claim payment from any person before claiming against such Chargor. This waiver applies irrespective of any law or any provision of any Loan Note Document (other than the Intercreditor Deeds) to the contrary.

23.5 Grant of waivers: A waiver given or consent granted by the Security Trustee under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

23.6 Waiver of defences: As between each Chargor and the Finance Parties but without affecting the obligations of the Issuer (as defined in the Loan Note Documents), each Chargor shall be liable under Clause 2 (*Covenant to pay*) as if it were the principal debtor and not merely a surety. Neither the Charges nor the obligations of each Chargor under this Deed shall be discharged or affected by (and each Chargor hereby irrevocably waives any defences it may now or hereafter acquire in any way relating to) any act, omission, matter or thing which, but for this Clause 23.6, would reduce, release or prejudice any of its obligations under any Loan Note Document (without limitation and whether or not known to such Chargor or any Finance Party) including:

- (a) any time, waiver or consent given to, or any composition with, any Chargor or any other person;
- (b) the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatever nature) or replacement of any Loan Note Document or any other document or Security, including without limitation any change in the purpose of any new or increased advances or utilisations, any extension of any date for payment or any increase in any commitment or facility or the issue of any additional notes or the addition of any new facility under any Loan Note Document or other document or Security;
- (d) the taking, perfection, enforcement, variation, compromise, exchange, renewal, release of, or the refusal or neglect to take, perfect or enforce, any rights against, or Security over, assets of, or any guarantee or undertaking given by, any Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or constitution or status of any Chargor or any other person;
- (f) the illegality, invalidity or unenforceability of any obligation of any person under, or expressed to arise under, any Loan Note Document or other document or Security;
- (g) any insolvency or similar proceedings under the laws of any jurisdiction or the making of any arrangement or composition with or for the benefit of creditors by any Chargor, any Finance Party or any other person;
- (h) any Finance Party ceasing or refraining from giving credit or making loans or advances to or otherwise dealing with any Chargor or any other person (but without prejudice to any rights which any Chargor may have against a Finance Party by reason of default by that Finance Party under the Loan Note Documents); or

- (i) the failure of any Finance Party to disclose to any Chargor any information relating to the business, assets, financial condition or prospects of any other Chargor now or hereafter known to such Finance Party (each Chargor waiving any duty on the part of the Finance Parties to disclose such information).

23.7 Deferral of Chargors' rights: Until all Secured Obligations have been irrevocably and unconditionally paid and discharged in full or the Security Trustee otherwise directs, no Chargor shall exercise any rights which it may have (by reason of performance by it of its obligations under the Loan Note Documents or by reason of any amount being payable, or liability arising, under this Deed):

- (a) to be indemnified by any other Chargor;
- (b) to claim any contribution or payment from any other provider of Security or surety of any Chargor's obligations under the Loan Note Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Finance Parties under the Loan Note Documents or of any other Security or guarantee taken pursuant to, or in connection with, the Loan Note Documents by any Finance Party;
- (d) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which any Chargor has given a guarantee, undertaking or indemnity under this Deed;
- (e) to exercise any right of set-off against any Chargor; and/or
- (f) to claim or prove as a creditor of any Chargor in competition with any Finance Party.

Such Chargor shall hold any benefit, payment or distribution received or recovered by it as a result of any exercise of any such right on trust for the Finance Parties and shall pay an amount equal to the amount received or recovered immediately to the Security Trustee.

23.8 Partial invalidity: If at any time any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect (or any of the Charges intended to be created by or pursuant to this Deed is ineffective) in any jurisdiction, that shall not affect the legality, validity or enforceability of:

- (a) the remaining provisions or the effectiveness of any of the remaining Charges in that jurisdiction; or
- (b) that or any other provision or the effectiveness of such Charges in any other jurisdiction.

23.9 Reinstatement: If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or Chargor or any Security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, Security or other disposition which is avoided or reduced (or must be restored in insolvency, liquidation, administration or otherwise, without limitation), then:

- (a) the liability of each Chargor and Chargor and the Charges will continue or be reinstated as if the discharge, release or arrangement, avoidance or reduction had not occurred;
- (b) each Finance Party shall be entitled to recover the value or amount of that payment, Security or arrangement from each Chargor, as if the avoidance or reduction had not

occurred, together with any other cost, loss, expense or liability incurred by such Finance Party as a result of such avoidance or reduction; and

- (c) each Chargor shall on demand indemnify the Security Trustee against any funding or other cost, loss, liability or expense incurred by the Security Trustee as a result of the Security Trustee being required for any reason to refund all or part of any amount received by it in respect of any of the Secured Obligations.

23.10 Security retention: If the Security Trustee considers that any amount paid or credited under any Loan Note Documents is capable of being avoided or otherwise set aside under any laws relating to insolvency or otherwise that amount shall not be treated as paid for the purposes of determining whether the Secured Obligations have been paid.

23.11 Final redemption:

- (a) The Security Trustee shall at the cost of the relevant Chargor on the date on which it is satisfied that all the Secured Obligations have been irrevocably and unconditionally paid and discharged in full and no further Secured Obligations are capable of becoming outstanding (the "Discharge Date") or following receipt of a notice under paragraph (b) below, take all reasonable steps to release and/or re-assign the Charged Assets from the Charges but without recourse to or any representation or warranty by the Security Trustee or any of its nominees.
- (b) If the Chargors are entitled to, under the terms of the Loan Note Documents, and wish to require the release of the Charges in whole or part, they shall give the Security Trustee not less than seven Business Days' prior notice in writing requesting release of the Charges.
- (c) All documents which are necessary in connection with the redemption of the Charges or the transfer of the Charged Assets back to the relevant Chargor shall be in such form as the Security Trustee shall require.

23.12 Consolidation: Section 93 of the LPA (restricting the right of consolidation of the Charges with any other Security) shall not apply to the Charges and the Security Trustee may consolidate all or any of the Charges with any other Security to the extent lawful.

23.13 Appropriations: Until all Secured Obligations have been irrevocably and unconditionally paid and discharged in full and all facilities which might give rise to Secured Obligations have been terminated, each Finance Party (or any trustee or agent on its behalf) may, subject to the terms of the Intercreditor Deeds and without affecting the liability of any Chargor under this Deed:

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

24. SET-OFF

- 24.1 Set-Off:** The Security Trustee and each other Finance Party may (without notice to the relevant Chargor) set off or otherwise apply against the Secured Obligations any credit balance to which any Chargor is entitled on any account with the Security Trustee or such Finance Party and any other obligation (contingent or otherwise) owing by the Security Trustee or such Finance Party regardless of the place of payment, booking branch or currency of either obligation or the terms of any deposit standing to the credit of such account.
- 24.2 Currency conversion:** A Finance Party may exercise such rights notwithstanding that the obligations concerned may be expressed in different currencies and each Finance Party is authorised to convert either obligation at a market rate of exchange in its usual course of business for the purpose of the setoff.
- 24.3 Set-off rights cumulative:** This Clause 24 (*Set-off*) shall be in addition to and without prejudice to any rights of set-off or any other rights or remedies which a Finance Party may have.

25. COMMUNICATIONS

- 25.1** Each notice, consent and other communication in respect of this Deed will only be effective only if made by letter or fax, delivered to the relevant address or fax number specified on the execution page(s) of this Deed (or to any substitute address or fax number notified in writing by the relevant Party for this purpose) and marked for the attention of the specified department/individual, if applicable. Each communication by letter will be effective only if delivered by hand, sent by first class post (if sent from and to an address in the UK) or sent by airmail (if sent from an address elsewhere).
- 25.2** Each communication will become effective as follows (references to times are to times in the place of delivery of the communication):
- 25.2.1** a hand-delivered letter will be effective as soon as it is delivered (or, if it is delivered after 5pm or on a day that is not a Business Day, it will be effective at 9am the next Business Day);
- 25.2.2** a letter sent by post from and to an address in the UK will be effective at 9am on the second Business Day after it is posted and a letter sent by airmail from or to an address elsewhere will be effective on the tenth Business Day after it is posted;
- 25.2.3** a fax will be effective one hour after the sending fax machine (or other system) generates a confirmation that the communication has been sent in full (or, if this occurs after 5pm or on a day that is not a Business Day, it will be effective at 9am on the next Business Day); and
- 25.2.4** each communication to the Security Trustee will become effective only when actually received by the Security Trustee.

26. COUNTERPARTS

- 26.1 Counterparts:** This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.
- 26.2 Non-signatories:** Failure by one or more parties ("Non-Signatories") to execute this Deed on the date hereof will not invalidate the provisions of this Deed as between the other parties

who do execute this Deed. Such Non-Signatories may execute this Deed (or a counterpart thereof) on a future date and will thereupon become bound by its provisions.

27. ASSIGNMENT AND TRANSFER

27.1 No assignment by Chargor: No Chargor shall assign, novate or otherwise deal with its rights or obligations under or interests in this Deed, except with the prior written consent of the Security Trustee.

27.2 Transfer by Security Trustee

27.2.1 Save as otherwise provided in the Security Trust Deed, the Security Trustee may at any time assign, novate or otherwise deal with any rights or obligations under, or interests in this Deed.

27.2.2 The Security Trustee may disclose any information about any Chargor, the Charged Assets and/or this Deed to any person to whom it proposes to assign, novate or transfer (or has assigned, novated or transferred) any rights or obligations under or interests in this Deed, or with whom it proposes to enter into (or has entered into) any other dealings in relation to any rights, obligations or interests.

27.2.3 Any person to whom the benefit of all such rights has been transferred, subject to such obligations, may enforce this deed in the same way as if it had been a Party instead of the Security Trustee.

27.2.4 If the Security Trustee transfers part only of its rights in respect of the Secured Obligations to any person, then this Deed shall thereupon be deemed to have been entered into by the Security Trustee as trustee for the Finance Parties and such other person.

28. GOVERNING LAW AND SUBMISSION TO JURISDICTION

28.1 Governing law: This Deed and any non-contractual obligations arising out of or in connection with this Deed are governed by, and construed in accordance with, English law.

28.2 Jurisdiction:

- (a) Subject to paragraph (c) below, 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 obligation arising out of or in connection with this Deed) or the consequences of its nullity (a "Dispute").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle any Disputes between them and accordingly no party shall argue to the contrary.
- (c) This Clause is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking:
 - (i) proceedings relating to a Dispute in any other courts with jurisdiction; and
 - (ii) to the extent allowed by law, concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF the parties hereto have caused this Deed to be duly executed and delivered as a deed on the date first written above.

SCHEDULE 1
The Chargors

Company	Registered Number	Jurisdiction
Customade Group Trading Limited	10126446	England and Wales
Customade Group Topco Limited	10239202	England and Wales
Customade Group Midco Limited	10242377	England and Wales
Fineline Aluminium Limited	06278501	England and Wales
Customade Group Holdco Limited	11027703	England and Wales
Polyframe Norwich Ltd	09008412	England and Wales

SCHEDULE 2
Details of the Scheduled Real Property

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SCHEDULE 3
Details of the Scheduled Intellectual Property

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SCHEDULE 4
Details of the Scheduled Investments

Chargor	Shares Held In
Customade Group Trading Limited	Fineline Aluminium Limited

SCHEDULE 5
Details of the Scheduled Personal Chattels

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Details of the Scheduled Bank Accounts

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SCHEDULE 6
Notices for Bank Accounts

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SCHEDULE 7
Real Property Undertakings

1. **Registration:** Each Chargor shall promptly provide, if so requested by the Security Trustee:
 - (a) a clear Land Charges Registry search against each Chargor or clear Land Registry priority search results in favour of the Security Trustee on the appropriate Land Registry forms against all of the registered titles comprising each Chargor's interests comprised within the Charged Real Property and giving not less than 28 days priority;
 - (b) appropriate Land Registry application forms duly completed accompanied by all necessary Land Registry fees; and
 - (c) notice to the reversioner of the assignment/transfer of any headlease to the relevant Chargor and the charging of that headlease to the Security Trustee, together with the appropriate registration fees, where such notification is required under those headleases.
2. **Leasing:** Each Chargor shall:
 - (a) not grant, or agree to grant, any lease or tenancy of all or any part of any Charged Real Property or confer or agree to confer upon any person any contractual licence or right to occupy or use any Charged Real Property save as permitted under the Loan Note Documents or in the ordinary course of business where such lease, tenancy, licence or right to occupy does not adversely affect the value of such Charged Real Property;
 - (b) pay any applicable rents and shall not accelerate or defer payment of any moneys due or agree to any reduction in rent or waive or vary any obligation to pay rent or other moneys due under the terms of any lease or other property agreement comprised in the Charged Real Property;
 - (c) duly and promptly implement any rent review under any lease comprised in the Charged Real Property but not agree to the reviewed rent or appoint or agree to the appointment of a third party to determine the same without the prior written approval of the Security Trustee;
 - (d) comply with all material obligations imposed on it and enforce the performance of all material obligations owed to it by any person under any lease, licence or other agreement giving the right to occupy any Charged Real Property and shall not do anything or permit anything to be done which could result in the termination of any such lease, licence or other agreement;
 - (e) not extend or renew on substantially different terms or determine or accept any surrender of any lease, tenancy, licence or right to occupy comprised in the Charged Real Property or agree to do any of these things save as permitted under the Loan Note Documents or in the ordinary course of business where such extension, renewal, determination or surrender does not adversely affect the value of such Charged Real Property; and

- (f) give prompt notice in writing to the Security Trustee if any tenant, lessee or licensee shall withhold rent or exercise any right of set-off against sums payable under any lease or other property agreement comprised in the Charged Real Property or purports, attempts or threatens to do so.
3. **Compulsory acquisition:** Each Chargor shall not, without the consent of the Security Trustee, enter into any negotiations with any competent agency of any state with regard to the compulsory acquisition of any Charged Assets nor consent to the compulsory acquisition thereof. However, if so requested by the Security Trustee, such Chargor shall permit the Security Trustee or its representatives to conduct such negotiations or give such consent on such Chargor's behalf.
 4. **Affixing of Charged Assets:** Each Chargor shall not fix or permit the affixing of the Charged Assets to any Real Property other than Charged Real Property.
 5. **Compliance:** Each Chargor shall comply with all laws or material regulations, directives, consents, authorisations, covenants or planning permissions relating to or affecting any Charged Real Property.
 6. **Planning:** No Chargor shall without the prior written consent of the Security Trustee, carry out or permit to be carried out on any part of its Charged Real Property any development (within the meaning of that expression in the Planning Acts) nor to make any application for planning permission for the development or change of use of its Charged Real Property or carry out any work for which planning permission has been granted or enter into any agreement under section 106 of the Town and Country Planning Act 1990, section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or any other agreement with any local government, planning or other regulatory authority to build roads, amenities or carry out other works save as permitted under the Loan Note Documents or in the ordinary course of business where such development, change of use, work or agreement does not adversely affect the value of such Charged Real Property.
 7. **VAT:** No Chargor shall elect to charge VAT or to transfer the right to recover or levy VAT or to treat supplies made by it as taxable supplies for the purposes of VAT or fail to do any of the foregoing without the prior written consent of the Security Trustee.
 8. **Repair:** Each Chargor shall keep all buildings on its Charged Real Property in good and substantial repair and shall keep all Fixtures and other Personal Chattels from time to time on or in any Charged Real Property belonging to it or its Subsidiaries in good and substantial repair and in good working order and shall not alter, pull down, remove or dispose of any of them, except in the ordinary course of repair, maintenance or improvement or as permitted under the Loan Note Documents.
 9. **Valuation reports:** Each Chargor shall, promptly on receipt, cause a copy of each professional valuation report that it obtains in relation to its Charged Real Property to be provided to the Security Trustee.
 10. **No building:** No Chargor shall without the prior written consent of the Security Trustee, save in the ordinary course of business where such works do not adversely affect the value of such Charged Real Property or as required by law or regulation, carry out any building work on its Charged Real Property, nor make any structural alteration to any building on its Charged Real Property, nor at any time sever, alter, remove or dispose of any Fixtures on it.

11. **No onerous obligations:** No Chargor shall, without the prior written consent of the Security Trustee, enter into onerous or restrictive obligations affecting its Charged Real Property or create or permit to arise any overriding interest or any easement or right whatever in or over it which would be reasonably likely to adversely affect its value or the value of the Security constituted by this Deed over it.
12. **User:** Each Chargor shall use its Charged Real Property only for such purpose or purposes as may from time to time be authorised as the permitted use or user thereof under or by virtue of the Planning Acts.
13. **Investigation of title:** Each Chargor shall grant the Security Trustee or its lawyers on request all facilities within the power of the Chargor to enable such lawyers to carry out investigations of title of all or any part of the Chargor's Real Property which is or may become charged by it under this Deed and enquiries into such matters in connection therewith at the expense of the Chargor.
14. **Certificate of title:** Each Chargor shall promptly on demand by the Security Trustee provide to the Security Trustee at the expense of the Chargor a certificate of title in such form as the Security Trustee may require addressed to the Finance Parties or any of them or the Security Trustee for and on behalf of the Finance Parties in relation to any of its Real Property which is or may become charged by it under this Deed.
15. **Notices:** Each Chargor shall promptly deliver a copy of any material communication received by it which has been given with respect to any Charged Real Property and take such steps as the Security Trustee shall reasonably require in relation thereto.
16. **Entry:** Each Chargor shall permit the Security Trustee and any person nominated by it at all reasonable times and with reasonable prior notice to enter any of its Charged Real Property to view its condition.

SCHEDULE 8
Assigned Contracts

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Insurance Policies

Policyholder	Policy Details	Insurer	Policy Number
The Chargors	Material Damage & Business Interruption	Chubb European Group Limited	UKPKNC75769
The Chargors	Motor Fleet	Amlin UK Limited	9343262
The Chargors	Marine	RSA	C086857H
The Chargors	Computers	RSA	RSAP6458129200
The Chargors	Contractors All Risks	Allianz Insurance plc	NT/27213416

**SCHEDULE 9
NOTICES OF ASSIGNMENT**

Part 1

Form of Notice of Assignment to Insurers

To: [insert name and address of insurance company]

[.]

Dear Sirs,

Re: [identify the relevant Insurance Policy(ies)] (the "Policies")

1. We hereby notify you that [insert name of [relevant] Chargor] (the "Company") has charged in favour of John Lightowlers (the "Security Trustee") for the benefit of himself and the other beneficiaries (the "Finance Parties") all its right, title and interest in the Policies as Security for certain obligations owed by the Company to the Finance Parties.
2. We further notify you that:
 - (a) you may continue to deal with the Company in relation to the Policies until you receive written notice to the contrary from the Security Trustee. Thereafter the Company will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Security Trustee;
 - (b) you are authorised to disclose information in relation to the Policies to the Security Trustee on request;
 - (c) following notice from the Security Trustee that the Security has become enforceable, you must hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Trustee;
 - (d) you will pay or release all moneys to which the Company is entitled under the Policies to such persons as the Security Trustee shall direct;
 - (e) you will notify the Security Trustee promptly of any claim, or notification likely to result in a claim, under any Policy for an amount in excess of £500,000; and
 - (f) the provisions of this notice may only be revoked with the written consent of the Security Trustee.
3. Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to the Company) by way of confirmation that:
 - (i) you agree to the terms set out in this notice and to act in accordance with its provisions;
 - (ii) you have noted the Security Trustee's interest as joint insured on the Policies;
 - (iii) you will not cancel, avoid, release or otherwise allow the Policies to lapse without giving the Security Trustee at least 30 days' written notice;

- (iv) you have not received notice that the Company has assigned its rights under the Policies to a third party or created any other interest (whether by way of Security or otherwise) in the Policies in favour of a third party;
- (v) you shall not permit any sums to be paid to the Company or any other person under or pursuant to the Policies without the prior written consent of the Security Trustee;
- (vi) the Security Trustee shall not in any circumstances be liable for the premiums in relation to the Policies; and
- (vii) the Policies shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Security Trustee.

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

Yours faithfully

.....
for and on behalf of

[insert name of Company]

Form of Acknowledgement of Notice of Assignment to Insurers

To: *[insert name and address of Security Trustee]*

Copy to: *[insert name and address of Chargor]*

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraph 3 above.

for and on behalf of

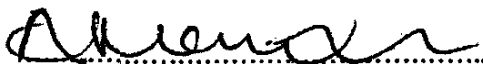
[insert name of Company]

Dated:

SIGNATORIES

EXECUTED AS A DEED BY
CUSTOMADE GROUP HOLDCO LIMITED
acting by a director in the presence of


.....
Director


.....

Signature of witness

Name **ANNA HEWITSON**
.....

Address **PricewaterhouseCoopers LLP**
..... **Cornwall Court**
..... **19 Cornwall Street**
..... **Birmingham**
..... **B3 2DT**

EXECUTED AS A DEED BY
CUSTOMADE GROUP TOPCO LIMITED
acting by a director in the presence of


.....
Director


.....

Signature of witness

Name

Address **AS ABOVE**
.....

EXECUTED AS A DEED BY
CUSTOMADE GROUP TRADING LIMITED
acting by a director in the presence of


.....
Director


.....

Signature of witness

Name

Address **AS ABOVE**
.....

EXECUTED AS A DEED BY
CUSTOMADE GROUP MIDCO LIMITED
acting by a director in the presence of

Gillett
.....
Director

[Signature]
.....
Signature of witness

Name

Address *AS ABOVE*
.....
.....

EXECUTED AS A DEED BY
FINELINE ALUMINIUM LIMITED
acting by a director in the presence of

Gillett
.....
Director

[Signature]
.....
Signature of witness

Name

Address *AS ABOVE*
.....
.....

EXECUTED AS A DEED BY
POLYFRAME NORWICH LTD
acting by a director in the presence of

Gillett
.....
Director

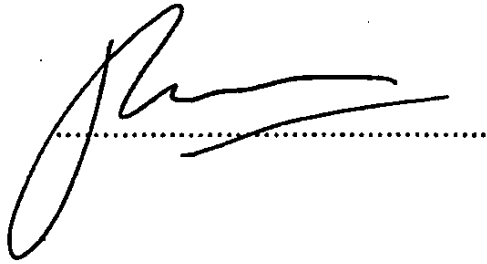
[Signature]
.....
Signature of witness

Name

Address *AS ABOVE*
.....
.....

MR. JOHN LIGHTOWLERS

in his capacity as Security Trustee

A handwritten signature in black ink, appearing to be 'John Lightowlers', written over a horizontal dotted line.