



Registration of a Charge

Company Name: **LIBERTY ONESTEEL (PRIMARY) UK LTD**

Company Number: **10934445**



Received for filing in Electronic Format on the: **18/10/2021**

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Details of Charge

Date of creation: **10/10/2021**

Charge code: **1093 4445 0005**

Persons entitled: **GLAS TRUST CORPORATION LIMITED**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **NIKITA KUMAR**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10934445

Charge code: 1093 4445 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th October 2021 and created by LIBERTY ONESTEEL (PRIMARY) UK LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th October 2021 .

Given at Companies House, Cardiff on 19th October 2021

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



Companies House



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

DATED 10 OCTOBER 2021

LIBERTY ONESTEEL (PRIMARY) UK LTD
as Chargor

GLAS TRUST CORPORATION LIMITED
as Security Trustee

SECURITY AGREEMENT



Freshfields Bruckhaus Deringer

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London EC4Y 1HS

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THIS DEED is made on 10 October 2021

BETWEEN:

- (1) **LIBERTY ONESTEEL (PRIMARY) UK LTD** (registered in England with registered number 10934445) (the *Chargor*); and
- (2) **GLAS TRUST CORPORATION LIMITED**, a company incorporated in England and Wales with registered number 07927175, for itself and as trustee for each of the other Secured Parties (as defined below) (the *Security Trustee*).

WHEREAS:

- (A) The Chargor is required to enter into this Deed as a condition of the Note Purchase and Issuance Agreement (as defined below).
- (B) The Security Trustee has agreed the benefit of the security created under this Deed on trust for the benefit of the Secured Parties upon and subject to the terms of this Deed.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

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

- (a) Terms defined in the Note Purchase and Issuance Agreement have the same meanings when used in this Deed; and
- (b) in addition:

Account means a Collection Account or a Blocked Account and, in each case, all Related Rights.

Account Bank means any bank, building society, financial institution or other person with whom an Account is maintained by the Chargor.

Account Bank Required Minimum Rating means in respect of any person (i) in the case of Moody's Investors Service, Inc. (or any of its affiliates), a long-term senior unsecured debt rating of at least Baa3 in respect of that person; or (ii) in the case of S&P Global Ratings or Fitch Ratings Inc. (or any of their affiliates) a long-term senior unsecured debt rating of at least BBB- in respect of that person.

Assigned Account means:

- (i) any Blocked Account of the Chargor specified as an Assigned Account in respect of the Chargor in Part C (*Accounts*) of Schedule 2 (*Security Assets*); or
- (ii) any other Blocked Account of the Chargor designated as an Assigned Account by the Security Trustee,

and, in each case, all Related Rights.

Blocked Account means:

- (i) each account of the Chargor specified as a Blocked Account in respect of the Chargor in Part C (*Accounts*) of Schedule 2 (*Security Assets*) or otherwise designated as a Blocked Account by the Security Trustee and all Related Rights, in each case, as that account may be redesignated, substituted or replaced from time to time and including any subaccount of that account.

CA 2006 means the Companies Act 2006.

Certificated Investments means Investments in certificated form.

Collection Account means, in relation to the Chargor any account of the Chargor specified as a Collection Account in Part C (*Accounts*) of Schedule 2 (*Security Assets*) and all Related Rights in each case, as that account may be redesignated, substituted or replaced from time to time and including any subaccount of that account.

Conditions means the conditions of the Loan Notes as set out in schedule 2 of the Loan Note Instrument

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

Creditor means any Holder of any Loan Notes from time to time and the Security Trustee and any Receiver or Delegate appointed.

Default Rate means the rate of interest determined in accordance with clause 3.4 (*Default interest*) of the Loan Note Instrument.

Delegate means any delegate, agent, attorney or co-trustee appointed by the Security Trustee.

Dissolution means any event of circumstance described in the definition of "Insolvency Proceedings" in the Note Purchase and Issuance Agreement.

Enforcement Instructing Group means the Majority Holders, acting reasonably in their capacity as creditors.

Event of Default means any of the events listed in Condition 10 (*Events of Default*) (other than Condition 10.15 (*Acceleration*)) of the Loan Notes.

Excluded Assets means any assets of the Chargor which are, or are expressed to be, subject to any security interests granted by the Chargor under the Subsidiary Share Security Deed and the TEMCO Shares.

Final Discharge Date means the date on which all Secured Obligations have been fully and finally discharged to the satisfaction of the Security Trustee (acting on the instructions of all of the Holders).

Finance Documents has the meaning given to such term in the Note Purchase and Issuance Agreement.

Group means the Chargor and its Subsidiaries for the time being.

Group Liabilities means, in relation to the Chargor, all the Liabilities and all other present and future obligations and liabilities which at any time are, or are expressed to

be, or may become, due, owing or payable by any member of the Group and/or any (direct or indirect) Holding Company or Subsidiary of any member of the Group and/or by any Obligor and/or any (direct or indirect) Holding Company or Subsidiary of any Obligor, in each case, to the Chargor, both actual and contingent and whether incurred solely or jointly or severally, and as principal or surety or in any other capacity, and, in each case, all Related Rights.

Guarantor has the meaning given to it in the Note Purchase and Issuance Agreement.

Holding Company has the meaning given to it in the Note Purchase and Issuance Agreement.

IA 1986 means the Insolvency Act 1986.

IA 2000 means the Insolvency Act 2000.

Insurance Policy means, in relation to the Chargor, any contract or policy of insurance of any kind (other than in relation to third party liabilities or similar claims) in which the Chargor has an interest (including any identified in respect of the Chargor in Part D (*Insurance Policies*) of Schedule 2 (*Security Assets*) (if any)) and all Related Rights.

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

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

in which the Chargor legally or beneficially has an interest (including those identified in respect of the Chargor in Part F (*Intellectual Property*) of Schedule 2 (*Security Assets*) or notified to the Security Trustee pursuant to Clause 15.3 (*Other obligations relating to Intellectual Property*)) and, in each case, all Related Rights (and **registered** includes registrations and applications for registration).

Investments means, in relation to the Chargor:

- (i) any Shares;
- (ii) any equity securities, including shares and stock;
- (iii) any debt securities and other forms of instrument giving rise to or acknowledging indebtedness, including bonds, notes, certificates of deposit, depository receipts, loan stock, debenture stock and coupons;
- (iv) any Cash Equivalent Investments;
- (v) all interests in collective investment schemes or any investment fund and any other investments; and

- (vi) all warrants, options and other rights to subscribe for, purchase, call for delivery or otherwise acquire any investment of a type referred to in any of paragraphs (i) to (v) (inclusive) above,

in which the Chargor has an interest, in each case, whether or not marketable, and whether held directly by or to the order of the Chargor or by any trustee, nominee, fiduciary or settlement or clearance system on its behalf, together with, in each case, all Related Rights but excluding (i) any assets which are already subject to existing security under the Subsidiary Share Security Deed and (ii) the TEMCO Shares.

Issuer means OneSteel Manufacturing Pty Limited (ACN 004 651 325).

Land Registry means the Land Registry of England and Wales.

Legal Reservations has the meaning given to it in the Note Purchase and Issuance Agreement.

Liabilities means all present and future liabilities and obligations at any time of any member of the Group to any Creditor under the Finance Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (i) any refinancing, novation, deferral or extension;
- (ii) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;
- (iii) any claim for damages or restitution; and
- (iv) any claim as a result of any recovery by any Obligor of a Payment on the grounds of preference or otherwise,

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

Loan Note Instrument means the note instrument dated 8 October 2021 and entered into by each Obligor constituting and setting out the terms and conditions of certain loan notes to be issued by the Issuer.

Loan Notes means the loan notes issued under the Loan Notes Instrument.

LPA 1925 means the Law of Property Act 1925.

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

LRA 2002 means the Land Registration Act 2002.

Majority Holders means Holders holding in aggregate more than 66.67% of the aggregate principal amount of the Loan Notes.

Material Contracts means, in relation to the Chargor, any agreement specified as a Material Contract in respect of the Chargor in Part E (*Material Contracts*) of Schedule 2 (*Security Assets*) or otherwise any other agreement which is material to the Chargor's business and is designated as a Material Contract by the Security Trustee, in each case, to which the Chargor is a party or in which it otherwise has an interest and, in each case, all Related Rights.

Monetary Claims means, in relation to the Chargor, any book and other debts and monetary claims of any nature (including any Group Liabilities) due, owing or payable to the Chargor (other than in respect of any Account) and, in each case, all Related Rights.

Note Purchase and Issuance Agreement means the note purchase and issuance agreement dated 8 October 2021 and entered into between, amongst others, the Chargor, Greensill Bank AG (in insolvency), Credit Suisse (Lux) Supply Chain Finance Fund (SICAV-SIF) and Credit Suisse Nova (Lux) Supply Chain Finance High Income Fund (SICAV PART II).

Obligor means the Issuer and each of the Guarantors.

Party means a party to this Deed.

Payment means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities (or other liabilities or obligations).

Person with Significant Control means, in respect of a company, an individual who meets one or more of the "specified conditions" (within the meaning of section 790C(3) of the CA 2006) in relation to that company, in accordance with section 790C(2) of the CA 2006.

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

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

Real Property means, in relation to the Chargor:

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

Receiver means:

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

Register has the meaning given to it in the Conditions of the Loan Notes.

Related Fund has the meaning given to it in the Note Purchase and Issuance Agreement.

Related Rights means, in relation to any asset:

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

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

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

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

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

Secured Parties means each Holder of the Loan Notes from time to time and the Security Trustee and any Receiver or Delegate appointed in respect of the Secured Obligations.

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

Shares means, in relation to the Chargor:

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

and, in each case, all Related Rights but excluding (i) any assets which are already subject to existing security under the Subsidiary Share Security Deed and (ii) the TEMCO Shares..

Subsidiary means a subsidiary undertaking within the meaning of section 1162 of the CA 2006.

Subsidiary Share Security Deed means the share security deed originally dated 12 July 2019 (as amended and/or supplemented from time to time) between Liberty OneSteel (Primary) UK Ltd and Greensill Capital (UK) Limited.

TA 2000 means the Trustee Act 2000.

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

TEMCO Shares means any of the shares owned by the Chargor in Tasmanian Electro Metallurgical Company Proprietary Ltd ACN 004 456 035.

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

Transaction Security means the security interests constituted, created or evidenced (or expressed to be constituted, created or evidenced) in favour of the Security Trustee (whether on its own account or as agent or trustee for the Secured Parties) under this Deed or any other Transaction Security Document.

Transaction Security Documents has the meaning given to it in the Note Purchase and Issuance Agreement.

Voting Event means, in relation to a particular Investment of any Chargor, the service of a notice by the Security Trustee (either specifying that Investment or generally in relation to all or a designated class of Investments) on any Chargor on or following the occurrence of an Event of Default which is continuing, specifying that control over the voting rights attaching to the Investment or Investments specified in that notice are to pass to the Security Trustee.

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

1.2 Construction

- (a) Unless the context otherwise requires or a contrary indication appears in this Deed, the provisions of clause 1.2 (*Construction*) of the Note Purchase and Issuance Agreement shall apply to this Deed as if set out in full in this Deed except that references to “this Agreement” shall be construed as references to this Deed and:
- (i) **assets** includes properties, revenues and rights of every kind, present, future and contingent and whether tangible or intangible;
 - (ii) **authorisation** or **consent** includes any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;
 - (iii) a **company** includes any company, corporation or other body corporate, wherever and however incorporated or established;
 - (iv) this **Deed** or any other **Finance Document** or any other agreement, document or instrument, or any rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system, is a reference to this Deed or other Finance Document or other agreement, document or instrument, or rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system, in each case, as it may have been varied, amended, supplemented, replaced, extended, restated or novated from time to time and includes a reference to any document which varies, amends, supplements, replaces, extends, restates, novates or is entered into, made or given pursuant to, or in accordance with, any of the terms of this Deed or, as the case may be, the relevant Finance Document or agreement, document or instrument, or the relevant rule, sourcebook, operating procedure, glossary of terms, manual or similar of any settlement or clearance system;
 - (v) **include** or **including** shall be construed without limitation;
 - (vi) **law** includes any present or future common or customary law, principle of equity, and any constitution, decree, judgment, decision, legislation, statute, order, ordinance, regulation, by-law or other legislative measure in any jurisdiction or any present or future official directive, regulation, guideline, request, rule, code of practice, treaty or requirement (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the general practice of a person to whom the directive, regulation, guideline, request, rule, code of practice, treaty or requirement is intended to apply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (vii) a **nominee** includes any nominee or custodian;
 - (viii) a **person** includes any individual, firm, company, government, state or agency of a state, local or municipal authority, trust, association, joint venture,

consortium, partnership or other entity (in each case, whether or not having separate legal personality);

- (ix) **qualified person** means a person who, under the IA 1986, is qualified to act as a receiver of any asset of any company with respect to which he/she is appointed or an administrative receiver of that company;
 - (x) **rights** includes all rights, title, benefits, powers, privileges, interests, claims, authorities, discretions, remedies, liberties, easements, quasi-easements and appurtenances (in each case, of every kind, and whether present, future or contingent); and
 - (xi) **security** includes any mortgage, charge, pledge, lien, security assignment, hypothecation or trust arrangement for the purpose of providing security and any other encumbrance or security interest of any kind, in each case, having the effect of securing any obligation of any person (including the deposit of monies or property with a person with the intention of affording that person a right of lien, set-off, combination or counter-claim) and any other agreement or any other type of arrangement having a similar effect (including any “flawed asset” or “hold back” arrangement), and **security interest** shall be construed accordingly.
- (b) Unless the context otherwise requires or a contrary indication appears:
- (i) a reference in this Deed to any Investment includes:
 - (A) all dividends, interest, coupons and other distributions paid or payable;
 - (B) all stocks, shares, securities, rights, monies, allotments, benefits and other assets accruing or offered at any time by way of redemption, substitution, conversion, exchange, bonus or preference, under option rights or otherwise;
 - (C) any rights against any settlement or clearance system; and
 - (D) any rights under any custodian or other agreement,in each case, in relation to that Investment;
 - (ii) a reference in this Deed to a Security Asset includes:
 - (A) any part of that Security Asset;
 - (B) any proceeds of that Security Asset; and
 - (C) any present and future assets of the same type as that Security Asset;
 - (iii) in this Deed a defined term includes its other cognate forms;
 - (iv) in this Deed:
 - (A) **certificated** has the meaning given to it in the Uncertificated Securities Regulations 2001;

- (B) *clearance system* means a person whose business is, or includes, the provision of clearance services or security accounts or any nominee or depository for that person; and
- (v) where this Deed refers to any provision of any other Finance Document and that Finance Document is amended in a manner that would result in that reference being incorrect, this Deed shall be construed so as to refer to that provision as renumbered in the amended Finance Document.
- (c) The terms of the other Finance Documents and of any side letters relating to the Finance Documents are incorporated in this Deed to the extent required for any contract for the purported disposition of any Security Asset contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (d) The fact that the details of any asset in any Schedule are incorrect or incomplete shall not affect the validity or enforceability of this Deed in respect of any asset of any Chargor.
- (e) References in this Deed to a *Clause* or *Schedule* are to a clause of, or schedule to, this Deed.
- (f) A person will not cease to be a member of the Group if it ceases to be a Subsidiary of the Chargor and continues to owe any Secured Obligations to any Secured Party or other relevant Creditor.
- (g) Where the terms of this Deed permit the Chargor to exercise a right or remedy under or in respect of any Security Asset which has been assigned to the Security Trustee under the terms of this Deed, the Chargor does so with the limited authority of the Security Trustee pursuant to the terms of this Deed and the Parties do not intend such limited authority to prevent, prejudice or impair any such assignment to the Security Trustee from satisfying in full all of the conditions set out in section 136 of the LPA 1925. Further, the Parties intend that such assignments are made on terms which satisfy in full all of those conditions.

1.3 Trustee Act 1925 and Trustee Act 2000

- (a) Section 1 of the TA 2000 shall not apply to any function of the Security Trustee. Where there are any inconsistencies between the Trustee Act 1925 or the TA 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the TA 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of the TA 2000.
- (b) The Security Trustee may retain or invest in securities payable to bearer without appointing a person to act as a custodian.
- (c) Sections 22 and 23 of the TA 2000 shall not apply to this Deed.

1.4 Third parties

- (a) Except as otherwise expressly provided in this Deed, the terms of this Deed may be enforced only by a Party and the operation of the Third Parties Act is excluded.

- (b) Notwithstanding any term of this Deed no consent of a third party is required to rescind, terminate or amend this Deed.

1.5 Distinct security and trusts

- (a) All Transaction Security, and any trust created or expressed to be created under this Deed, shall be construed as creating separate and distinct security, or a separate and distinct trust, over each relevant asset within any particular class of assets defined or referred to in this Deed. The failure to create effective security, or an effective trust, whether arising out of any provision of this Deed, any act or omission by any person, the existence of any Restrictions Notice in respect of any Relevant Interest or otherwise, over any one such asset shall not affect the nature or validity of the security, or any trust, imposed on any other such asset, whether within that same class of assets or otherwise.
- (b) The existence of a Restrictions Notice in respect of any Relevant Interest, or the Transaction Security or any trust created or expressed to be created under this Deed being or becoming unenforceable or failing to take effect (in each case, temporarily or otherwise) over any asset defined or referred to in this Deed, whether arising out of any provision of this Deed, any act or omission by any person or otherwise, shall not affect the nature or validity of the Transaction Security, or any such trust, imposed on any other asset defined or referred to in this Deed, whether within the same class of assets as the Relevant Interest or other relevant asset or otherwise.

1.6 Chargor intent

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

1.7 Implied covenants for title

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

1.8 Trust for the Holders of the Loan Notes

The Security Trustee hereby declares that:

- (a) the Security Trustee shall hold the security interests created under this Deed and the Chargor's covenant to pay pursuant to Clause 2 above on trust for each of the Holders of the Loan Notes for the payment and discharge of the Secured Obligations; and

- (b) the Security Trustee shall, save as expressly provided herein, exercise its rights in relation to this Deed in accordance with any instructions provided to it pursuant to the Conditions of the Loan Notes without prejudice to the rights, powers and directions conferred to it under this Deed and the other Finance Documents.

2. COVENANT TO PAY

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

3. CREATION OF SECURITY

3.1 Real Property

- (a) The Chargor charges by way of a first legal mortgage in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its right, title and interest in and to the Real Property in England and Wales vested in it on the date of this Deed.
- (b) To the extent not the subject of a mortgage under paragraph (a) above, the Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its present and future right, title and interest in and to its Real Property.

3.2 Investments

- (a) The Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its present and future right, title and interest in and to each of its Investments.

3.3 Plant and Machinery

The Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its present and future right, title and interest in and to its Plant and Machinery.

3.4 Accounts

The Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its present and future right, title and interest in and to each of its Accounts and any amount standing to the credit of, and the debt represented by, each such Account.

3.5 Monetary Claims

The Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its present and future right, title and interest in and to each of its Monetary Claims.

3.6 Insurance Policies

- (a) The Chargor assigns absolutely to the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, subject to a proviso for reassignment in accordance with Clause 5 (*Release and reassignment*), all its present and future right, title and interest in and to each of its Insurance Policies.
- (b) To the extent the terms of any Insurance Policy restrict any right, title or interest thereunder from being assigned under paragraph (a) above and/or to the extent any right, title or interest under any Insurance Policy is not effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its present and future right, title and interest in and to each of its Insurance Policies.

3.7 Material Contracts and other contracts

- (a) The Chargor assigns absolutely to the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, subject to a proviso for reassignment in accordance with Clause 5 (*Release and reassignment*), all its present and future right, title and interest in and to each of its Material Contracts.
- (b) To the extent the terms of any Material Contract restrict any rights, title or interest thereunder from being assigned under paragraph (a) above and/or to the extent any right, title or interest under any Material Contract is not effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge in favour of the Security Trustee all its present and future right, title and interest in and to each of its Material Contracts.
- (c) The Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its present and future right, title and interest in and to any contract or agreement (in each case, other than any Material Contract) to which it is a party or in which it otherwise has an interest.

3.8 Intellectual Property

The Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, all its present and future right, title and interest in and to its Intellectual Property.

3.9 Miscellaneous

- (a) The Chargor charges by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties, (to the extent not otherwise assigned, charged or mortgaged under Clauses 3.1 (*Real Property*) to 3.8 (*Intellectual Property*) (inclusive)) all its present and future right, title and interest in and to:
 - (i) any beneficial interest of it in, or claim or entitlement of it to, any assets of any pension fund;

- (ii) the benefit of any agreement, licence, consent or authorisation (statutory or otherwise) held by it in connection with its business or the use of any of its assets;
 - (iii) its goodwill;
 - (iv) rights in relation to its uncalled capital;
 - (v) any letter of credit issued in its favour; and
 - (vi) any bill of exchange or other negotiable instrument held by it.]
- (b) To the extent that a Security Asset is not effectively assigned, charged or mortgaged in favour of the Security Trustee in accordance with the applicable provisions of Clauses 3.1 (*Real Property*) to 3.8 (*Intellectual Property*) (inclusive), the Chargor shall hold on trust for the benefit of the Security Trustee all its present and future right, title and interest in and to that Security Asset.
- (c) Notwithstanding any other provision of this Deed, the creation of any mortgage or trust expressed to be created under this Deed over any Relevant Interest that is at the time of that creation subject to any Restrictions Notice shall be conditional on the court making an order under paragraph 8 of Schedule 1B to the CA 2006 by virtue of paragraph 8(3)(b) of that Schedule.

3.10 Floating charge

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

3.11 Excluded Assets

Notwithstanding any security purported to be created pursuant to this Clause 3, no such security shall be created or subsist over any Excluded Asset for so long as it remains an Excluded Asset.

4. CONVERSION OF FLOATING CHARGE

4.1 Automatic conversion

The floating charge created pursuant to paragraph (a) of Clause 3.10 (*Floating Charge*) shall (in addition to the circumstances in which the same will occur under general law)

automatically and immediately be converted into a fixed charge over all of the Chargor's assets, rights and property not already subject to an effective fixed charge if:

- (a) any Chargor takes any step to create any security in breach of Clause 7.1 (*Restriction on dealings*) over any of the Security Assets subject to that floating charge;
- (b) any person takes any step to effect any expropriation, attachment, sequestration, distress, execution or other legal process against any of the Security Assets subject to that floating charge; or
- (c) any Dissolution occurs,

and, in each case, the conversion shall take effect from the instant before the occurrence of that event.

4.2 Conversion by notice

The Security Trustee may by notice in writing to the Chargor convert the floating charge created by the Chargor pursuant to paragraph (a) of Clause 3.10 (*Floating Charge*) with immediate effect into one or more fixed charges over all or any of the Chargor's assets, rights and property specified in that notice if:

- (a) an Event of Default has occurred and is continuing;
- (b) the Security Trustee considers any Security Asset subject to that floating charge to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or
- (c) the Security Trustee considers that such conversion is desirable in order to protect the value of any Security Asset or the priority of the Transaction Security.

4.3 Moratorium – floating charge

The floating charge created pursuant to paragraph (a) of Clause 3.10 (*Floating Charge*) may not be converted into a fixed charge solely by reason of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 2000.

4.4 Reconversion to floating charge

Any floating charge which has crystallised under Clause 4.1 (*Automatic conversion*) or Clause 4.2 (*Conversion by notice*) may, by notice in writing given at any time by the Security Trustee to the relevant Chargor, be reconverted into a floating charge under paragraph (a) of Clause 3.10 (*Floating Charge*) in relation to the assets, rights and property specified in that notice. The conversion to a fixed charge and reconversion to a floating charge (or the converse) may occur any number of times.

4.5 No waiver

The giving by the Security Trustee of a notice under Clause 4.2 (*Conversion by notice*) in relation to any asset shall not be construed as a waiver or abandonment of the Security Trustee's rights to serve any notice in respect of any other asset or of any other right of any Secured Party under this Deed or any other Finance Document.

5. RELEASE AND REASSIGNMENT

Subject to paragraph (e) of Clause 6 (*Provisions relating to Transaction Security*), promptly after the Final Discharge Date, the Security Trustee shall, at the request and cost of the Chargor:

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

in each case, without recourse to or any representation or warranty by any Secured Party or any other person.

6. PROVISIONS RELATING TO TRANSACTION SECURITY

- (a) All Transaction Security:
 - (i) is created in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and on behalf of each of the other Secured Parties;
 - (ii) is created free from any security interest (other than any Transaction Security);
 - (iii) is created over the present and future assets of the Chargor (other than the Excluded Assets); and
 - (iv) is a continuing security for the payment, discharge and performance of all of the Secured Obligations, shall extend to the ultimate balance of all amounts payable under the Finance Documents and shall remain in full force and effect until the Final Discharge Date. No part of the Transaction Security shall be considered to be satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.
- (b) If the Chargor purports to mortgage, assign or, by way of a fixed charge, charge an asset (a ***restricted asset***) under this Deed and that mortgage, assignment or fixed charge breaches a term of a written agreement (a ***Restrictive Contract***) binding on the Chargor in respect of that restricted asset because the consent of a person (other than any member of the Group, any Affiliate of any member of the Group, each a ***counterparty***) has not been obtained, then:
 - (i) the Chargor shall notify the Security Trustee promptly upon becoming aware;
 - (ii) subject to paragraph (iv) below, the relevant mortgage, assignment or fixed charge under this Deed shall extend (to the extent that no breach of that Restrictive Contract would occur) to the Related Rights in respect of that restricted asset but shall exclude the restricted asset itself;
 - (iii) unless the Security Trustee otherwise requires, the Chargor shall use best endeavours to obtain the consent of each relevant counterparty and, once obtained, shall promptly provide a copy of that consent to the Security Trustee; and

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

7. RESTRICTION ON DEALINGS

7.1 Restriction on dealings

The Chargor shall not:

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

unless permitted to do so under the Loan Note Instrument and/or the Conditions of the Loan Notes or required to do so under the Subsidiary Share Security Deed.

7.2 Moratorium – disposals

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

8. REPRESENTATIONS AND WARRANTIES

8.1 General representations and warranties

The Chargor represents and warrants to each Secured Party that:

- (a) it is the sole legal and beneficial owner of, and absolutely entitled to, the assets that it purports to mortgage, charge or assign under this Deed (other than, where relevant, in respect of the legal ownership of any of its Investments registered in the name of its nominee or in the name of the Security Trustee (or the Security Trustee's nominee) pursuant to this Deed);
- (b) it has not mortgaged, charged or assigned or otherwise encumbered or disposed of any of the assets that it purports to mortgage, charge or assign under this Deed, in each case, other than as expressly permitted under the Loan Note Instrument;
- (c) the assets that it purports to mortgage, charge or assign under this Deed are free from any security, Quasi-Security or option to purchase or similar right, in each case, other than as expressly permitted under the Loan Note Instrument; and
- (d) its Security Assets exist.

8.2 Times for making representations and warranties

The representations and warranties set out in this Deed (including in Clause 8.1 (*General representations and warranties*), Clause 9.1 (*Representations and warranties – Real Property*), Clause 10.1 (*Representations and warranties – Investments*), and Clause 15.1 (*Representation and warranty – Intellectual Property*)) are:

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

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

9. REAL PROPERTY

9.1 Representations and warranties – Real Property

The Chargor represents and warrants to each Secured Party that:

- (a) it is the sole legal and beneficial owner of its Real Property;
- (b) no breach of any law, regulation or covenant is outstanding which affects or would be reasonably likely to affect materially the value, saleability or use of its Real Property;
- (c) there are no covenants, agreements, stipulations, reservations, conditions, interests, rights or other matters whatsoever affecting its Real Property which conflict with its present use or adversely affect the value, saleability or use of any of its Real Property, in each case, to any material extent;
- (d) nothing has arisen or has been created or is subsisting which would be an overriding interest or an unregistered interest which overrides first registration or registered dispositions over its Real Property and which would be reasonably likely to affect materially its value, saleability or use;
- (e) all facilities (including access) necessary for the enjoyment and use of its Real Property (including those necessary for the carrying on of its business at its Real Property) are enjoyed by its Real Property and none of those facilities are on terms entitling any person to terminate or curtail its use or on terms which conflict with or restrict its use, where the lack of those facilities would be reasonably likely to affect materially its value, saleability or use;
- (f) it has received no notice of any adverse claims by any person in respect of its Real Property which, if adversely determined, would or would be reasonably likely to materially adversely affect the value, saleability or use of any of its Real Property, and no acknowledgment has been given to any person in respect of its Real Property; and
- (g) its Real Property is held by it free from any security (other than any Transaction Security) or any lease or licence which, in the case of any lease or licence, would be reasonably likely to affect materially its value, saleability or use.

9.2 Documents of title relating to Real Property

The Chargor shall, on the date of this Deed, and on or immediately after the acquisition by the Chargor of any estate or interest in any Real Property or the creation of any new legal interest in any Real Property (including the grant of any new lease):

- (a) deposit all deeds and documents of title relating to its Real Property with the Security Trustee (or as the Security Trustee may direct); or
- (b) deliver to the Security Trustee a solicitor's undertaking from a firm of solicitors regulated by the Law Society of England and Wales to hold such deeds and documents of title to the order of the Security Trustee (such firm and the terms of the undertaking to be acceptable to the Security Trustee).

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

9.3 Repair and compliance with leases and covenants

If not doing so would materially adversely impact the interests of the Security Trustee or the Holders under the Finance Documents, the Chargor shall:

- (a) keep its Real Property in good and substantial repair and condition to the satisfaction of the Security Trustee;
- (b) perform and observe in all material respects all the covenants, conditions and stipulations (whether as landlord or tenant) in any lease, agreement for lease or other right to occupy in respect of any of its Real Property (including to pay the rent, if a tenant) and shall not do or permit to subsist any act or thing as a result of which any such lease, agreement for lease or other right to occupy may be subject to determination or right of re-entry or forfeiture before the expiration of its term;
- (c) not at any time without the prior written consent of the Security Trustee sever or remove any of the fixtures forming part of its Real Property or any of the plant and machinery (other than stock in trade or work in progress) on or in its Real Property if to do so would reasonably be expected to have a materially adverse effect on the value, saleability or use of its Real Property or the enforceability of the Transaction Security; and
- (d) comply with, observe and perform the following in relation to or affecting its Real Property:
 - (i) the requirements of all applicable planning and environmental laws;
 - (ii) any conditions attaching to any planning permissions; and
 - (iii) any notices or other orders made by any planning, environmental or other public body.

9.4 Notices – Real Property

Within 14 days after the date of receipt by any Chargor of any application, requirement, order or notice served or given by any public or local or other authority with respect to all or any part of its Real Property, the Chargor shall deliver a copy of that application, requirement, order or notice to the Security Trustee and inform the Security Trustee of the steps taken or proposed to be taken to comply with the same.

9.5 Leases

If doing so would materially adversely impact the interests of the Security Trustee or the Holders under the Finance Documents, the Chargor shall not, without the prior written consent of the Security Trustee:

- (a) grant or agree to grant (whether in exercise of, or independently of, any statutory power) any lease or tenancy;
- (b) agree to or enter into any amendment, waiver or surrender of any lease or tenancy;
- (c) commence any forfeiture proceedings or exercise peaceable re-entry in respect of any lease or tenancy;

- (d) part with possession of or confer upon any person any contractual licence or right to occupy;
- (e) consent to any assignment or underletting of any tenant's interest under any lease or tenancy;
- (f) agree to any rent review in respect of any lease or tenancy; or
- (g) serve any notice on any former tenant under any lease or tenancy (or any guarantor of that former tenant) which would entitle it to a new lease or tenancy,

in each case, in respect of all or any part of its Real Property.

9.6 Development

If doing so would materially adversely impact the interests of the Security Trustee or the Holders under the Finance Documents, the Chargor shall not:

- (a) make or permit any person to make any application for planning permission in respect of any part of its Real Property; or
- (b) carry out or permit to be carried out on any part of its Real Property any development for which the permission of any local planning authority is required.

9.7 Land Registry and perfection

- (a) The Chargor undertakes to make a due application (or procure that such an application is made) to the Land Registry within ten Business Days after the date of this Deed, in respect of all of its Real Property (if any) located in England and Wales the title to which is registered or required to be registered under the LRA 2002 (and, as proprietor of the relevant registered estate or the party entitled to be registered as such a proprietor (as the case may be), consents to such an application being made by or on behalf of the Security Trustee):
 - (i) to register the first legal mortgage created pursuant to this Deed in favour of the Security Trustee;
 - (ii) to enter a restriction in the following terms on the relevant register of title:

“No [[disposition]/[or specify type of disposition]] of the registered estate [(other than a charge)] by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a written consent signed by the proprietor for the time being of the charge in the security agreement dated [●] in favour of [●] (as agent and trustee for itself and each of the other Secured Parties referred to in that security agreement) referred to in the charges register or its conveyancer”.
- (b) If applicable, immediately following the completion of the Land Registry application referred to in paragraph (a) above, the Chargor shall notify the Security Trustee of the same and supply updated official copies of the relevant registers of title to the Security Trustee or as the Security Trustee may otherwise direct.
- (c) The Chargor shall immediately following the execution of this Deed a request by the Security Trustee:

- (i) provide written notice to the landlord (if any) of any leasehold property forming part of the Chargor's Real Property of any mortgage or charge created pursuant to this Deed, such notice to be in a form satisfactory to the Security Trustee and in accordance with the terms of the relevant lease; and
- (ii) use best endeavours to ensure that each such landlord delivers to the Security Trustee a written acknowledgment of the notice referred to in paragraph (i) above in a form satisfactory to the Security Trustee.

9.8 Future Real Property

- (a) The Chargor shall immediately notify the Security Trustee of any contract, conveyance, transfer or other disposition for the acquisition by it (or its nominee) of any Real Property.
- (b) In respect of any estate or interest in any Real Property acquired by any Chargor after the date of this Deed, the Chargor shall (at its own cost):

- (i) immediately following the acquisition, execute and deliver, or procure that there is executed and delivered, to the Security Trustee one of the following:

- (A) if that estate or interest relates to Real Property in England and Wales, a first legal mortgage of that Real Property in favour of the Security Trustee, in the form required by the Security Trustee, that is supplemental to, and on the terms and conditions of, this Deed; or

- (B) if that estate or interest relates to Real Property outside England and Wales, an instrument appropriate to create a security interest equivalent to that set out in paragraph (A) above in that jurisdiction in respect of that Real Property in favour of the Security Trustee, containing such terms and conditions as the Security Trustee may require,

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

- (ii) if title to that estate or interest is (either before or after the acquisition) registered or required to be registered under the LRA 2002, within ten Business Days after the acquisition:

- (A) duly register its acquisition of that Real Property at the Land Registry;

- (B) as part of the application to the Land Registry to make the registration referred to in paragraph (A) above, make a due application (or procure that such an application is made) to register the first legal mortgage created in accordance with paragraph (b)(i)(A) above and to enter a restriction and a notice on the relevant registers of title, in each case, in accordance with paragraph (a) of Clause 9.7 (*Land Registry and perfection*) or otherwise as required by the Security Trustee; and

- (C) immediately following the completion of the Land Registry applications referred to in paragraphs (A) and (B) above, notify the Security Trustee of the same and supply updated official copies of the relevant registers of title to the Security Trustee or as the Security Trustee may otherwise direct; and
- (iii) if that estate or interest is leasehold property, immediately following the acquisition, provide a written notice to the relevant landlord and use best endeavours to ensure that such landlord delivers to the Security Trustee a written acknowledgment of that notice, in each case, in accordance with paragraph (c) of Clause 9.7 (*Land Registry and perfection*) or otherwise as required by the Security Trustee.

9.9 Title investigation

On and after the occurrence of an Event of Default which is continuing, the Chargor shall:

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

9.10 Default – Real Property

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

10. INVESTMENTS

10.1 Representations and warranties – Investments

The Chargor represents and warrants to each Secured Party that:

- (a) the Investments which it purports to mortgage or charge under this Deed are duly authorised, validly issued and fully paid;
- (b) it has not nominated any person (other than the Security Trustee or the Security Trustee's nominee) to enjoy or exercise any right relating to those Investments pursuant to Part 9 of the CA 2006 or otherwise;

- (c) it is the sole legal and beneficial owner of those Investments (other than, where relevant, in respect of the legal ownership of any of its Investments registered in the name of its nominee or in the name of the Security Trustee (or the Security Trustee's nominee) pursuant to this Deed);
- (d) there is nothing in its constitutional documents or any instrument, document, agreement or arrangement to which it is a party or otherwise which restricts or prohibits its entry into, or the performance by it of its obligations under, this Deed or which could impede or impair any right or remedy of the Security Trustee under or in respect of this Deed, including in respect of the perfection of any transfer of any Investments of any Chargor;
- (e) it has not (and no other member of the Group has) received a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group;
- (f) it has not (and no other member of the Group has) issued a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of the Chargor, any other member of the Group or any Affiliate of any member of the Group; and
- (g) the copy of its PSC Register (and that of each other member of the Group, in each case, if the Chargor or other member of the Group is required to maintain one) that was delivered to the Security Trustee on the date of this Deed;
 - (i) is correct, complete and in full force and effect;
 - (ii) has not been amended or superseded since that date; and
 - (iii) sets out the "required particulars" (within the meaning of section 790K of the CA 2006) and any other information prescribed under Part 21A of the CA 2006 (including section 790M) and/or any associated law, in each case, in relation to all of the Relevant Legal Entities and Persons with Significant Control that are "registrable" (within the meaning of section 790C(4) or section 790C(8), as applicable) in respect of the Chargor (or that other member of the Group) as at that date in accordance with Part 21A of the CA 2006, subject to the 14 day period set out in sections 790M(2), (5), (6), (6A) and (7A) of the CA 2006.

10.2 Perfection – Investments

- (a) The Chargor shall, on the date of this Deed or, if later, immediately upon becoming entitled to any Certificated Investment, deliver to the Security Trustee or otherwise as the Security Trustee may direct, in the agreed form:
 - (i) all certificates, documents of title and other documentary evidence of ownership relating to its Certificated Investments (other than any Cash Equivalent Investments); and
 - (ii) all transfers duly executed by the Chargor (or its nominee) in respect of its Certificated Investments, undated and with the name of the transferee left

blank or, if the Security Trustee requires, in favour of the Security Trustee (or the Security Trustee's nominee).

- (b) The Chargor shall, on the date of this Deed or, if later, immediately upon becoming entitled to any Investment:
 - (i) deliver to the Security Trustee or otherwise as the Security Trustee may direct, in the agreed form, all documents that the Security Trustee may require in respect of the Chargor's Investments (unless delivered by the Chargor pursuant to paragraph (a) above), including any documentary evidence of ownership in respect of those Investments and any documents to enable the Security Trustee (or the Security Trustee's nominee) or any purchaser to be registered as the owner of, or otherwise to obtain legal title to, those Investments;
 - (ii) in respect of any of its Investments that are held by any nominee:
 - (A) provide written notice to that nominee of any charge created pursuant to this Deed in any form that the Security Trustee may require; and
 - (B) use best endeavours to ensure that the nominee delivers to the Security Trustee a written acknowledgment of the notice referred to in paragraph (A) above in any form that the Security Trustee may require; and
 - (iii) terminate, with immediate effect, any rights of any person (other than the Security Trustee or the Security Trustee's nominee) to enjoy or exercise any right relating to any of the Chargor's Investments whether pursuant to Part 9 of the CA 2006 or otherwise.

10.3 Changes to Investments

- (a) Other than as expressly permitted under the Finance Documents, no Chargor shall take, purport to take, omit to take or allow, or purport to allow, the taking of, or omission to take, any action which:
 - (i) may result in the rights attaching to, in respect of or conferred by any Investments of any Chargor being altered in a manner which is adverse to the interests of the Secured Parties;
 - (ii) may prejudice the value of any Investments of any Chargor or the ability of the Security Trustee to realise the Transaction Security in respect of those Investments; or
 - (iii) in relation to the Investments, is otherwise inconsistent with the terms of any Finance Document.
- (b) Promptly following the acquisition by any Chargor (or its nominee) of any Investments after the date of this Deed, the Chargor shall notify the Security Trustee of the same.

10.4 Rights before Voting Event or Event of Default

Subject to paragraph (a) of Clause 10.3 (*Changes to Investments*):

- (a) before the occurrence of a Voting Event:
 - (i) the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Investments; and
 - (ii) if any Investments of the Chargor have been registered in the name of the Security Trustee (or the Security Trustee's nominee), the Security Trustee (or its nominee, as applicable) shall exercise the voting rights, powers and other rights in respect of those Investments in such manner as the Chargor may direct in writing from time to time,

and voting power (for the purposes of section 435(10) of the IA 1986) in respect of any Investments of any Chargor shall remain with the Chargor and shall not pass to the Security Trustee or any other Secured Party; and

- (b) before the occurrence of a Voting Event:
 - (i) the Chargor shall pay all dividends and other income and distributions paid or payable in respect of its Investments into a Blocked Account and, until that payment, the Chargor shall hold those amounts on trust for the Security Trustee; and
 - (ii) if any Investments of the Chargor have been registered in the name of the Security Trustee (or the Security Trustee's nominee), the Security Trustee (or its nominee, as applicable) shall:
 - (A) use reasonable endeavours to forward to the Chargor all material notices, correspondence and other communications that it receives in relation to those Investments; and
 - (B) promptly execute any dividend mandate necessary to ensure that any dividends and other income and distributions paid or payable in respect of those Investments are paid into a Blocked Account or, if payment is made directly to the Security Trustee (or its nominee), promptly pay those amounts into a Blocked Account.

10.5 Rights after Voting Event or Event of Default

- (a) On and after the occurrence of a Voting Event:
 - (i) the Security Trustee (or its nominee) may exercise (or refrain from exercising) any voting rights, powers and other rights in respect of any Investments of any Chargor as it sees fit and without any further consent or authority on the part of any Chargor; and
 - (ii) the Chargor irrevocably appoints the Security Trustee (or the Security Trustee's nominee) as its proxy to exercise all voting rights, powers and other rights in respect of its Investments with effect from the occurrence of that Voting Event to the extent that those Investments remain registered in the Chargor's name (or that of its nominee).
- (b) On and after the occurrence of a Voting Event:

- (i) subject to paragraph (a) above, the Chargor shall comply with or procure the compliance with any directions of the Security Trustee (or the Security Trustee's nominee) in respect of any Chargor's Investments; and
- (ii) the Chargor shall hold all dividends and other income and distributions paid or payable in respect of its Investments and which have not been paid into a Blocked Account on trust for the Security Trustee, pending payment to the Security Trustee for application in accordance with Clause 22 (*Application of Proceeds*), and the Chargor waives its rights to any such amounts.

10.6 Other obligations relating to Investments

- (a) At any time when any Investments of the Chargor have been registered in the name of the Security Trustee (or the Security Trustee's nominee), the Security Trustee (or its nominee, as applicable) shall not be under any duty to:
 - (i) ensure that any dividends or other income or distributions paid or payable in respect of those Investments are duly and promptly paid or received by it (or its nominee);
 - (ii) verify that the correct amounts are paid or received by it (or its nominee); or
 - (iii) take any action in connection with the taking up of any (or any offer of any) stock, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of those Investments.
- (b) The Chargor shall indemnify the Security Trustee (or the Security Trustee's nominee, as applicable) against any loss or liability incurred by the Security Trustee (or its nominee) as a consequence of the Security Trustee (or its nominee) acting at the direction of the Chargor in respect of any of its Investments.
- (c) The Chargor shall pay when due all calls or other payments that may be or become due in respect of any of its Investments.
- (d) No Chargor shall nominate any person, other than the Security Trustee (or the Security Trustee's nominee), to enjoy or exercise any right relating to any of its Investments whether pursuant to Part 9 of the CA 2006 or otherwise.
- (e) Immediately following the receipt by the Chargor or any other member of the Group (or, in each case, its nominee) of:
 - (i) any notice issued under section 790D or 790E of the CA 2006 or any Warning Notice or Restrictions Notice issued under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group;
 - (ii) any other notice in respect of any Investments of any Chargor; or
 - (iii) any correspondence or other communication in respect of any Investments of any Chargor or any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group (in each case, including any request referred to in paragraph (h)(iii) below),

the Chargor shall notify the Security Trustee of that receipt and immediately provide to the Security Trustee a copy of that notice, correspondence or other communication.

(f) Without prejudice to paragraph (f) of Clause 10.1 (*Representations and warranties – Investments*), the Chargor shall:

- (i) notify the Security Trustee of its intention to issue a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group; and
- (ii) provide to the Security Trustee a copy of that Warning Notice or Restrictions Notice,

in each case, at least five Business Days before the Chargor (or that other member of the Group) issues the Warning Notice or Restrictions Notice.

(g) Without prejudice to paragraph (g) of Clause 10.1 (*Representations and warranties – Investments*), the Chargor shall immediately:

- (i) notify the Security Trustee of any change that it makes to its PSC Register (if it is required to maintain one); and
- (ii) provide to the Security Trustee a copy of its updated PSC Register (if it is required to maintain one) in form and substance satisfactory to the Security Trustee,

in each case, immediately following the making of the change.

(h) The Chargor shall:

- (i) comply in all respects with all laws to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect (as defined in the Note Purchase and Issuance Agreement);
- (ii) comply with the terms of any notice that it receives under section 790D or 790E of the CA 2006 within the timeframe specified in that notice; and
- (iii) comply with any other request for information that it receives in respect of any Investments of any Chargor or any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group, or that is made under any law or regulation or by any listing or other authority or pursuant to any provision contained in any articles of association or other constitutional document, in each case, within the timeframe specified in that request or any other necessary timeframe,

and, in respect of paragraphs (h)(ii) and (h)(iii) above, immediately following compliance with the notice or request, the Chargor shall provide to the Security Trustee a copy of its response to that notice or request.

(i) Notwithstanding paragraph (f) above, no Chargor shall exercise its right to issue a Warning Notice or Restrictions Notice under paragraph 1 of Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group, unless it is required to do so

under applicable law and, if it is so required, it shall, in issuing the Warning Notice or Restrictions Notice:

- (i) have regard to the interests of the Secured Parties; and
 - (ii) use reasonable endeavours to preserve the rights and remedies of the Secured Parties.
- (j) The Chargor shall not make any application to the court under Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group without the Security Trustee's consent.
- (k) The Chargor shall actively assist the Security Trustee with any application (or similar) to the court that it makes under Schedule 1B to the CA 2006 in respect of any Relevant Interest of any Chargor, any other member of the Group or any Affiliate of any member of the Group, and provide the Security Trustee with all information, documents and evidence that it may reasonably request in connection with the same.
- (l) The Chargor authorises the Security Trustee to:
 - (i) comply with the terms of any notice that the Security Trustee receives under section 790D of the CA 2006; and
 - (ii) (on behalf of the Chargor) respond to:
 - (A) any notice that such Chargor receives under section 790D or 790E of the CA 2006, where the Chargor fails to comply with the terms of that notice within the timeframe specified in that notice; and
 - (B) any request referred to in paragraph (h)(iii) above received by the Chargor, where the Chargor fails to comply with the terms of that request within the timeframe specified in that request or any other necessary timeframe,

and the Chargor waives any breach of clause 27.1 (*Confidential Information*) of the Note Purchase and Issuance Agreement that may occur as a result of the Security Trustee taking any action under this paragraph (l).

10.7 Default – Investments

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

10.8 Settlement and clearance systems

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

11. PLANT AND MACHINERY

11.1 General obligations relating to Plant and Machinery

- (a) The Chargor shall keep its Plant and Machinery in good repair and in good working order and condition.
- (b) The Chargor that holds any interest in any Plant and Machinery that is located on leasehold premises shall, as soon as practicable after the date of this Deed or, if later, the date on which the Chargor acquires such an interest, use best endeavours to ensure that the lessor of those premises provides written confirmation that it waives absolutely all rights that it may have at any time in respect of that Plant and Machinery.

11.2 Evidence of Transaction Security

The Chargor shall take any action which the Security Trustee may require to evidence the Transaction Security created over its Plant and Machinery pursuant to this Deed, including prominently affixing a nameplate on any of its Plant and Machinery stating that:

- (a) the Plant and Machinery is charged in favour of the Security Trustee; and
- (b) the Plant and Machinery must not be disposed of without the prior written consent of the Security Trustee unless permitted under the Loan Note Instrument and/or the Conditions of the Loan Notes

12. ACCOUNTS

12.1 No other Accounts and preservation

- (a) The Chargor shall take all reasonable and practicable steps to preserve and enforce its rights and remedies under or in respect of its Accounts (in respect of any Assigned Account, as if those rights and remedies had not been assigned to the Security Trustee under this Deed), provided that the exercise of those rights and remedies is not inconsistent with the terms of the Finance Documents.

- (b) Without limiting any assignment under this Deed, if doing so would materially adversely impact the interests of the Security Trustee or the Holders under the Finance Documents, the Chargor shall not, nor shall it purport to:
- (i) amend, supplement, vary or waive any provision of any agreement governing the terms of any of its Accounts (or agree to do so);
 - (ii) exercise any right to rescind, cancel or terminate any agreement governing the terms of any of its Accounts; or
 - (iii) release, compromise or waive any counterparty from its obligations or liabilities under any agreement governing the terms of any of its Accounts or any debt represented thereby,

in each case, other than as permitted under the Loan Note Instrument and/or the Conditions of the Loan Notes.

12.2 Notice – Accounts

- (a) The Chargor shall deliver to the Security Trustee on the date of this Deed (or, in respect of any Account opened or change occurring after the date of this Deed, on the date of opening of that Account or that change), details of any Account maintained by it (unless those details are set out in Part C (*Accounts*) of Schedule 2 (*Security Assets*)). Such details shall include the name of the Account Bank with whom each Account is maintained, together with the account number, sort code and description of that Account.
- (b) The Chargor shall, in respect of any Account opened after the date of this Deed, within five Business Days after the date of opening of that Account:
- (i) give notice to each Account Bank substantially in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*); and
 - (ii) use reasonable endeavours to procure that the Account Bank delivers to the Security Trustee a duly completed acknowledgment of that notice substantially in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*).
- (c) The entry into this Deed by the Parties shall constitute written notice to the Security Trustee and acknowledgment by the Security Trustee of that notice, in each case, substantially in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*), of any charge created pursuant to this Deed over any Account maintained by any Chargor with the Security Trustee on the date of this Deed.

12.3 Change of Account Bank

- (a) An Account Bank may only be changed:
- (i) if the proposed new Account Bank satisfies the Account Bank Required Minimum Rating; or
 - (ii) with the prior written consent of the Security Trustee if the proposed new Account Bank does not satisfy the Account Bank Required Minimum Rating.

- (b) The change shall only become effective if the proposed new Account Bank agrees to fulfil the role of Account Bank in accordance with the terms of the form of notice and acknowledgment in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*).
- (c) Upon a change of Account Bank becoming effective, the net amount (if any) standing to the credit of any Account maintained with the old Account Bank shall be immediately transferred to a corresponding Account maintained with the new Account Bank.
- (d) The Chargor shall take such action as the Security Trustee may require to facilitate a change of Account Bank and any transfer of credit balances.

12.4 Collection Accounts

- (a) The Chargor shall:
 - (i) collect and realise its Monetary Claims in a prudent manner (as agent for the Security Trustee) and pay the proceeds of those Monetary Claims into a Collection Account (if opened) immediately upon receipt (and those proceeds shall be held upon trust by the Chargor for the Security Trustee until that payment); and
 - (ii) not factor, discount or otherwise deal with its Monetary Claims other than as provided for in paragraph (i) above (or enter into any agreement for that factoring, discounting or dealing),

in each case, other than as permitted by the Loan Note Instrument and/or the Conditions of the Loan Notes.

- (b) Upon the occurrence of an Event of Default which is continuing, the Security Trustee may, and if instructed by the Majority Holders, shall notify the Chargor that it is no longer permitted to freely operate the Collection Accounts and shall be subject to the restrictions set out in paragraph (d) below and Clause 12.6.
- (c) Before the occurrence of the later of: (i) an Event of Default which is continuing; and (ii) the Chargor having been notified by the Security Trustee that it is no longer permitted to freely operate the Collection Accounts, the Chargor shall (subject to the terms of the Note Purchase and Issuance Agreement) be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Collection Account.
- (d) On and after the occurrence of the later of: (x) an Event of Default which is continuing and (y) the Chargor having been notified by the Security Trustee that it is no longer permitted to freely operate the Collection Accounts:
 - (i) the Chargor shall not be entitled to receive, withdraw or otherwise transfer the proceeds of collection or realisation of any Monetary Claims standing to the credit of any Collection Account or any other credit balance on any Collection Account without the prior written consent of the Security Trustee; and
 - (ii) the Chargor shall promptly give written notice to the debtors in respect of any Monetary Claims in such form as the Security Trustee may require. The entry into this Deed by the Chargor shall constitute written notice to the

Chargor (and acknowledgment by it of the same) of any charge created pursuant to this Deed over any Monetary Claims owed by the Chargor to any other Chargor on the date of this Deed.

12.5 Blocked Accounts

- (a) The Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance at any time on any Blocked Account without the prior written consent of the Security Trustee.
- (b) If the Chargor proposes to withdraw monies from a Blocked Account before the occurrence of an Event of Default which is continuing:
 - (i) at least three Business Days before the proposed withdrawal date, it shall notify the Security Trustee and certify the purpose for which the relevant funds are to be applied;
 - (ii) the Security Trustee shall agree to the proposed withdrawal if it is satisfied that the monies to be withdrawn are permitted to be withdrawn under, and will be applied in accordance with, the terms of the Note Purchase and Issuance Agreement; and
 - (iii) if it is so satisfied, the Security Trustee shall confirm to the relevant Account Bank that the proposed withdrawal is permitted.
- (c) The Chargor shall not, nor shall it purport to, without the Security Trustee's prior written consent, permit or agree to any variation of the rights attaching to any Blocked Account or close any Blocked Account.

12.6 Exercise of rights on Event of Default

On and after the occurrence the later of: (x) an Event of Default which is continuing and (y) the Chargor having been notified by the Security Trustee that it is no longer permitted to freely operate the Collection Accounts:

- (a) any permission to use amounts withdrawn from any Account (whether pursuant to this Deed or otherwise) is expressly revoked and the Chargor shall hold those amounts, together with the proceeds of any of its Monetary Claims, on trust for the Security Trustee, pending payment to the Security Trustee for application in accordance with Clause 22 (*Application of Proceeds*), and the Chargor waives its rights to any such amounts; and
- (b) the Security Trustee shall be entitled without notice to the Chargor to receive, withdraw, apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 22 (*Application of Proceeds*).

13. INSURANCE POLICIES

13.1 Notice – Insurance Policies

- (a) The Chargor shall deliver to the Security Trustee on the date of this Deed (or, in respect of any Insurance Policy entered into or change occurring after the date of this Deed, on the date of entry into that Insurance Policy or that change), details of each of

its Insurance Policies (unless those details are set out in Part D (*Insurance Policies*) of Schedule 2 (*Security Assets*)). Such details shall include the name of the insurer in respect of each Insurance Policy, together with the policy number and description of that Insurance Policy.

- (b) unless doing so could provide or notify the insurer or insurance broker of grounds for terminating, invalidating or cancelling the relevant Insurance Policy, the Chargor shall within five Business Days after the date of this Deed (or, in respect of any Insurance Policy entered into after the date of this Deed, within five Business Days after the date of entry into that Insurance Policy):
 - (i) give notice to each insurer or insurance broker (as applicable) substantially in the form set out in Schedule 4 (*Form of Notice and Acknowledgment for Insurance Policies*); and
 - (ii) use reasonable endeavours to ensure that such insurer or insurance broker (as applicable) delivers to the Security Trustee a duly completed acknowledgment of that notice substantially in the form set out in Schedule 4 (*Form of Notice and Acknowledgment for Insurance Policies*).

13.2 Other obligations relating to Insurance Policies

- (a) The Chargor shall:
 - (i) take all reasonable and practicable steps to preserve and enforce its rights and remedies (to the extent that preserving or enforcing such rights would be reasonable for the Chargor) under or in respect of its Insurance Policies (as if those rights and remedies had not been assigned to the Security Trustee under this Deed), provided that the exercise of those rights and remedies is not inconsistent with the terms of the Finance Documents;
 - (ii) without prejudice to the generality of any other provision of this Clause 13 and without limiting any assignment under this Deed, if failing to do so would materially adversely impact the interests of the Security Trustee or the Holders under the Finance Documents:
 - (A) promptly pay all premiums and other monies payable under or in connection with any of its Insurance Policies and supply to the Security Trustee a copy of each of its Insurance Policies and evidence reasonably satisfactory to the Security Trustee of the payment of those amounts; and
 - (B) not take, purport to take, omit to take or allow, or purport to allow, the taking of, or omission to take, any action which might render any of its Insurance Policies void, voidable or unenforceable; and
 - (iii) subject to Clause 13.4 (*Exercise of rights on Event of Default* and other than as provided to the contrary in the Finance Documents, pay all amounts that it receives under or in connection with any of its Insurance Policies into a Blocked Account, pending application in accordance with the Loan Note Instrument, and until that payment the Chargor shall hold those amounts on trust for the Security Trustee.

- (b) Without limiting any assignment under this Deed, if doing so would materially adversely impact the interests of the Security Trustee or the Holders under the Finance Documents the Chargor shall not, nor shall it purport to, amend or waive any term of, or terminate, any of its Insurance Policies (or agree to do so) unless permitted by the Note Purchase and Issuance Agreement.
- (c) Before the occurrence of an Event of Default which is continuing but subject to the other provisions of this Clause 13.2, the Chargor shall be entitled to exercise all of the rights and remedies expressed to be given to it under or in respect of its Insurance Policies and any associated rights and remedies.

13.3 Default – Insurance Policies

- (a) If any Chargor fails to comply with any provision of this Clause 13, the Security Trustee may effect or renew any Insurance Policy on such terms, in such name(s) and in such amount(s) as it considers to be necessary or desirable.
- (b) The Chargor shall immediately on demand by the Security Trustee reimburse the Security Trustee for all Costs and Expenses incurred by the Security Trustee in connection with any action taken under paragraph (a) above, together with interest accruing on those Costs and Expenses at the Default Rate for the period from and including the date on which those Costs and Expenses were incurred up to and excluding the date on which they were reimbursed.

13.4 Exercise of rights on Event of Default

On and after the occurrence of an Event of Default which is continuing:

- (a) the Security Trustee may exercise (without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor) the Chargor's rights or remedies (including direction of any payments to the Security Trustee) under or in respect of any of its Insurance Policies (and, in respect of any such rights or remedies that have been assigned to the Security Trustee under this Deed, the Security Trustee may exercise some or all of those rights or remedies as assignee); and
- (b) the Chargor shall hold any payment that it receives under or in respect of its Insurance Policies on trust for the Security Trustee, pending payment to the Security Trustee for application in accordance with Clause 22 (*Application of Proceeds*), and the Chargor waives its rights to any such payment.

14. MATERIAL CONTRACTS

14.1 Notice – Material Contracts

- (a) The Chargor shall deliver to the Security Trustee on the date of this Deed (or, in respect of any Material Contract entered into or designated as such or change occurring after the date of this Deed, on the date of entry into or designation of that Material Contract or that change), details of each of its Material Contracts (unless those details are set out in Part E (*Material Contracts*) of Schedule 2 (*Security Assets*)). Such details shall include the date of each Material Contract, the parties to it and its description.

- (b) The Chargor shall within five Business Days after the date of this Deed (or, in respect of any Material Contract entered into or designated as such after the date of this Deed, within five Business Days after the date of entry into or designation of that Material Contract):
 - (i) give notice to each counterparty to each of its Material Contracts substantially in the form set out in Schedule 5 (*Form of Notice and Acknowledgment for Material Contracts*); and
 - (ii) use reasonable endeavours to ensure that each such counterparty delivers to the Security Trustee a duly completed acknowledgment of that notice substantially in the form set out in Schedule 5 (*Form of Notice and Acknowledgment for Material Contracts*).
- (c) The entry into this Deed by the Chargor shall constitute written notice to the Chargor and acknowledgment by the Chargor of that notice, in each case, substantially in the form set out in Schedule 5 (*Form of Notice and Acknowledgment for Material Contracts*), of any assignment or charge created pursuant to this Deed over any Material Contract that evidences the terms of any Group Liabilities to which the Chargor and any other Chargor are party on the date of this Deed.

14.2 Other obligations relating to Material Contracts

- (a) The Chargor shall take all reasonable and practicable steps to preserve and enforce its rights and remedies (to the extent that preserving or enforcing such rights would be reasonable for the Chargor) under or in respect of its Material Contracts (as if those rights and remedies had not been assigned to the Security Trustee under this Deed), provided that the exercise of those rights and remedies is not inconsistent with the terms of the Finance Documents.
- (b) Without limiting any assignment under this Deed, if doing so would materially adversely impact the interests of the Security Trustee or the Holders under the Finance Documents, the Chargor shall not, nor shall it purport to:
 - (i) exercise any right to rescind, cancel or terminate any of its Material Contracts;
 - (ii) release any counterparty from its obligations under any of its Material Contracts;
 - (iii) waive any breach by any counterparty of any of its Material Contracts or consent to any act or omission which would otherwise constitute a breach of any of its Material Contracts; or
 - (iv) novate, transfer or assign any of its rights under any of its Material Contracts (other than as provided pursuant to this Deed),

in each case, other than as permitted under the Finance Documents.

14.3 Exercise of rights on Event of Default

On and after the occurrence of an Event of Default which is continuing:

- (a) the Security Trustee may exercise (without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor) the Chargor's rights or remedies (including direction of any payments to the Security Trustee) under or in respect of any Material Contract to which the Chargor is a party (and, in respect of any such rights or remedies that have been assigned to the Security Trustee under this Deed, the Security Trustee may exercise some or all of those rights or remedies as assignee); and
- (b) the Chargor shall hold any payment that it receives under or in respect of its Material Contracts on trust for the Security Trustee, pending payment to the Security Trustee for application in accordance with Clause 22 (*Application of Proceeds*), and the Chargor waives its rights to the proceeds of such payment.

15. INTELLECTUAL PROPERTY

15.1 Representation and warranty – Intellectual Property

The Chargor represents and warrants to each Secured Party that, as at the date of this Deed (or the date on which the Chargor accedes to this Deed), all registered Intellectual Property which is material to its business is identified in Part F (*Intellectual Property*) of Schedule 2 (*Security Assets*).

15.2 Documents of title relating to Intellectual Property and perfection

The Chargor shall promptly:

- (a) deliver to the Security Trustee or otherwise as the Security Trustee may direct all documents of title relating to the Chargor's Intellectual Property (including any licences relating to them and any forms or documents relating to any applications to register any such Intellectual Property in the name of the Chargor); and
- (b) execute all such documents and do all acts that the Security Trustee may require to record the interest of the Security Trustee in any registers relating to any registered Intellectual Property.

15.3 Other obligations relating to Intellectual Property

- (a) The Chargor shall take all steps and do all acts that may be necessary to preserve and maintain the subsistence and the validity of any of its Intellectual Property and shall not use or permit the use of that Intellectual Property in any way which is reasonably likely to adversely affect the value of that Intellectual Property.

16. ENFORCEMENT OF TRANSACTION SECURITY

16.1 Timing and manner of enforcement

- (a) The Transaction Security shall become enforceable and the powers referred to in Clause 16.2 (*Extension and variation of powers under the LPA 1925*) shall become exercisable immediately:
 - (i) upon the occurrence of an Event of Default which is continuing;
 - (ii) if any Dissolution occurs;

- (iii) if the Chargor requests the Security Trustee to exercise any of its powers under this Deed;
 - (iv) upon the appointment (other than by the Security Trustee or otherwise under any Finance Document) of a Receiver or any person exercising any right or remedy in respect of any security over any Security Asset or any other asset of any Chargor; or
 - (v) if otherwise specified in any other provision of this Deed.
- (b) Notwithstanding paragraph (a) above, if the giving of any notice, notification or instruction, the making of any filing or the taking of any perfection step or similar is necessary or, in the reasonable opinion of the Security Trustee, desirable for the purposes of perfecting any Transaction Security or protecting any right or remedy of any Secured Party under or in connection with this Deed, the Security Trustee may take that action upon the occurrence of an Event of Default which is continuing.
- (c) Without prejudice to any other provision of this Deed, immediately after the Transaction Security has become enforceable, the Security Trustee may, in its absolute and sole discretion and without notice to any Chargor or prior authorisation from any person, court or similar body:
 - (i) enforce all or any part of the Transaction Security and require the payment or transfer to it of any amounts, proceeds or assets held on trust by the Chargor for its benefit;
 - (ii) in the case of any right or remedy comprising or in respect of any Security Asset that has been assigned to the Security Trustee under this Deed, exercise any such right or remedy as assignee; and/or
 - (iii) exercise all or any of the powers, authorities and discretions conferred on the Security Trustee:
 - (A) by the Finance Documents (including this Deed); or
 - (B) otherwise by law on mortgagees, chargees, assignees, receivers (whether or not the Security Trustee has appointed a Receiver) and/or administrators (whether or not any Chargor is in administration),

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

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

16.2 Extension and variation of powers under the LPA 1925

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

16.3 Contingencies

If the Transaction Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Trustee (or a Receiver) may pay the proceeds of any recoveries effected by it into such number of suspense accounts as it considers appropriate.

16.4 Exercise of powers

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

16.5 Restrictions on notices

Subject to paragraph (b) of Clause 16.1 (*Timing and manner of enforcement*), before the occurrence of an Event of Default which is continuing, the Security Trustee shall not give any notice, notification or instruction:

- (a) referred to in paragraph 2(e) of the notice served on an Account Bank in the form set out in Schedule 3 (*Form of Notice and Acknowledgment for Accounts*) to that Account Bank;
- (b) referred to in paragraph 4 of the notice served on an insurer or insurance broker (as applicable) in the form set out in Schedule 4 (*Form of Notice and Acknowledgment for Insurance Policies*) to that insurer or insurance broker (as applicable); or
- (c) referred to in paragraph 3 of the notice served on a counterparty to any Material Contract in the form set out in Schedule 5 (*Form of Notice and Acknowledgment for Material Contracts*) to that counterparty.

16.6 Protection of third parties

- (a) No person (including a purchaser) dealing with the Security Trustee or a Receiver or any of its or their respective agents shall be concerned to enquire:
- (i) whether the Secured Obligations have become payable;
 - (ii) whether any power which the Security Trustee or that Receiver may purport to exercise has become exercisable or is being properly exercised;
 - (iii) whether any amount remains due under the Finance Documents; or
 - (iv) how any money paid to the Security Trustee or to that Receiver is to be applied,

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

- (b) Any person (including a purchaser) dealing with the Security Trustee or a Receiver shall benefit from the protections given to purchasers (as that term is used in the LPA 1925) from a mortgagee by sections 104 and 107 of the LPA 1925, and to persons dealing with a receiver by section 42(3) of the IA 1986, and any such person who is not a Party may rely on this paragraph (b) and enforce its terms under the Third Parties Act.
- (c) The receipt by the Security Trustee or any Receiver of any monies paid to the Security Trustee or that Receiver by any person (including a purchaser) shall be an absolute and conclusive discharge and shall relieve any person (including a purchaser) dealing with the Security Trustee or that Receiver of any obligation to see to the application of any monies paid to or at the direction of the Security Trustee or that Receiver, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act. Any sale or disposal of any Security Asset and any acquisition, in each case, by the Security Trustee or any Receiver shall be for such consideration, and made in such manner and on such terms as the Security Trustee or that Receiver sees fit.
- (d) In this Clause 16.6, *purchaser* includes any person acquiring, for money or money's worth, any interest or right whatsoever in relation to any Security Asset.

16.7 No liability as mortgagee in possession

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

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

and any such person who is not a Party may rely on this Clause 16.7 and enforce its terms under the Third Parties Act.

16.8 Redemption of prior security

- (a) The Security Trustee or any Receiver may at any time after the occurrence of an Event of Default which is continuing:
 - (i) redeem any prior security on or relating to any Security Asset or procure the transfer of that security to itself; and
 - (ii) settle and pass the accounts of any person entitled to that prior security, and any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor.
- (b) The Chargor shall on demand pay to the Security Trustee all principal monies and interest and all Costs and Expenses incidental to any redemption or transfer under this Clause 16.8, in each case, together with interest accruing on those amounts at the Default Rate for the period from and including the date on which those amounts were incurred up to and excluding the date on which they were reimbursed.

16.9 Right of appropriation

- (a) To the extent that any of the Security Assets constitute “financial collateral” and this Deed and the obligations of the Chargor under it constitute a “security financial collateral arrangement” (in each case, as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the *FCR Regulations*)), upon and after the Transaction Security becoming enforceable, the Security Trustee or any Receiver shall have the benefit of all the rights conferred on a collateral taker under the FCR Regulations, including the right to appropriate without notice to any Chargor (either on a single occasion or on multiple occasions) all or any part of that financial collateral in or towards discharge of the Secured Obligations and, for this purpose, the value of the financial collateral so appropriated shall be:
 - (i) in the case of cash, the amount standing to the credit of each Account, together with any accrued but unposted interest at the time the right of appropriation is exercised; and
 - (ii) in the case of any Investments (or any other financial collateral), the market price of those Investments (or that other financial collateral) determined (after appropriation) by the Security Trustee or any Receiver in a commercially reasonable manner (including by reference to a public index or independent valuation).
- (b) The Parties agree that the methods of valuation set out in paragraphs (a)(i) and (a)(ii) above are commercially reasonable methods of valuation for the purposes of the FCR Regulations.
- (c) The Chargor irrevocably and unconditionally agrees that the Security Trustee may:
 - (i) delegate its rights under paragraph (a) above to one or more persons and that such delegates may exercise such rights on behalf of the Security Trustee; and
 - (ii) distribute the right of appropriation referred to in paragraph (a) above to one or more Secured Parties (in accordance with the terms of the Note Purchase

and Issuance Agreement) so that, immediately upon the exercise of such right of appropriation, the relevant Secured Party will become the legal and beneficial owner of the assets that have been appropriated.

16.10 Release and/or disposal of Group Liabilities

- (a) In respect of any disposal of any Group Shares of any Chargor that is effected pursuant to, or in connection with, the enforcement of the Transaction Security, the Security Trustee or any Receiver shall be irrevocably authorised (at the cost of the Chargor and without any consent, sanction, authority or further confirmation from any other Secured Party or any Chargor) to:
 - (i) release all or any part of any Group Liabilities owing to the Chargor at that time; and/or
 - (ii) dispose of all or any part of any Group Liabilities owing to the Chargor at that time,in each case, on behalf of the Chargor (and, if necessary, any party who is a debtor in respect of those Group Liabilities), and in any manner and on such terms as the Security Trustee or that Receiver sees fit.
- (b) For the purposes of paragraph (a) above, ***Group Shares*** means the Shares of any Chargor that fall within paragraph (i) of the definition of Shares.

17. RECEIVER

17.1 Appointment of Receivers and administrators

- (a) The Security Trustee may, by deed or otherwise in writing (and signed by any officer, manager or authorised signatory of the Security Trustee) and without notice to any Chargor, appoint one or more qualified persons to be a Receiver or Receivers, at any time:
 - (i) upon and after the Transaction Security becoming enforceable (whether or not the Security Trustee has taken possession of any Security Asset); or
 - (ii) at the written request of any Chargor.
- (b) The Security Trustee may not appoint an administrative receiver over any Security Asset to the extent prohibited by section 72A of the IA 1986.
- (c) Section 109(1) of the LPA 1925 shall not apply to this Deed.
- (d) If the Security Trustee appoints more than one person as Receiver, the Security Trustee may give those persons power to act either jointly or severally.
- (e) Any Receiver may be appointed Receiver of all or any of the Security Assets or Receiver of a part of the Security Assets specified in the appointment. In the case of an appointment of a part of the Security Assets, the rights conferred on a Receiver as set out in Clause 17.6 (*Powers of Receivers*) shall have effect as though every reference in that Clause to any Security Assets is a reference to the part of those assets so specified or any part of those assets.

- (f) Subject to (and in the manner prescribed by) law, the Security Trustee may also appoint an administrator.

17.2 Moratorium – Receivers

The Security Trustee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the IA 2000.

17.3 Removal of Receivers

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

17.4 Agent of Chargor

- (a) Any Receiver shall be the agent of the Chargor for all purposes and accordingly shall be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925.
- (b) The Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (c) No Secured Party shall incur any liability (either to the Chargor or any other person) by reason of the appointment of a Receiver or for any other reason.

17.5 Remuneration

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

17.6 Powers of Receivers

Notwithstanding any Dissolution applicable to any Chargor, any Receiver appointed pursuant to Clause 17.1 (*Appointment of Receivers and administrators*) shall have the following rights, powers and discretions:

- (a) all the rights, powers and discretions conferred by the LPA 1925 on mortgagors and on mortgagees in possession and on any receiver appointed under the LPA 1925 (in each case, to the extent that those rights, powers and discretions do not limit any other right, power or discretion granted to any Receiver under this Deed);

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

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

18. DELEGATION

- (a) The Security Trustee or any Receiver may delegate (and any delegate may sub-delegate) by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.
- (b) Any delegation under this Clause 18 may be made upon such terms (including the power to sub-delegate) and subject to such conditions and regulations as the Security Trustee or any Receiver may consider fit.
- (c) None of the Security Trustee, any Receiver or any other Secured Party (or any agent, employee or officer of any of them) shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, neglect, default, omission or misconduct on the part of any delegate, and any such person who is not a Party may rely on this paragraph (c) and enforce its terms under the Third Parties Act.
- (d) References in this Deed to the Security Trustee or a Receiver shall be deemed to include references to any delegate or sub-delegate of the Security Trustee or Receiver appointed in accordance with this Clause 18.

19. PRESERVATION OF SECURITY

19.1 Reinstatement

- (a) If any payment by the Chargor or any discharge or release given by a Secured Party (whether in respect of the obligations of any person or any security or guarantee for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (i) the liability of the Chargor and the relevant security or guarantee shall continue as if the payment, discharge, release, avoidance or reduction had not occurred; and
 - (ii) the relevant Secured Party shall be entitled to recover the value or amount of that security, guarantee or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred.
- (b) The Security Trustee may concede or compromise any claim that any payment, security, guarantee or other disposition is liable to avoidance or restoration.

19.2 Waiver of defences

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

- (a) any time, waiver or consent, or any other indulgence or concession, in each case, granted to, or composition with, any Chargor or any other person;
- (b) the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, holding, variation, compromise, exchange, renewal, realisation or release by any person of any rights under or in connection with any security, guarantee or indemnity or any document, including any arrangement or compromise entered into by any Secured Party with any Chargor or any other person;
- (d) the refusal or failure to take up, hold, perfect or enforce by any person any rights under or in connection with any security, guarantee or indemnity or any document (including any failure to present, or comply with, any formality or other requirement in respect of any instrument, or any failure to realise the full value of any rights against, or security over the assets of, any Chargor or any other person);
- (e) the existence of any claim, set-off or other right which any Chargor may have at any time against any Secured Party or any other person;
- (f) the making, or absence, of any demand for payment or discharge of any Secured Obligations;
- (g) any amalgamation, merger or reconstruction that may be effected by the Security Trustee with any person, including any reconstruction by the Security Trustee involving the formation of a new company and the transfer of all or any of the assets of the Security Trustee to that company, or any sale or transfer of the whole or any part of the undertaking and/or assets of the Security Trustee to any person;
- (h) any incapacity or lack of power, authority or legal personality or Dissolution, in each case, of any Chargor or any other person, or any change in the members or status of any Chargor or any other person;
- (i) any variation, amendment, waiver, release, novation, supplement, extension, restatement or replacement of, or in connection with, any Finance Document or any other document or any security, guarantee or indemnity, in each case, however

fundamental and of whatever nature (and including any amendment that may increase the liability of any Obligor or any Chargor);

- (j) any change in the identity of the Security Trustee or any other Secured Party or any variation of the terms of the trust upon which the Security Trustee holds the Transaction Security;
- (k) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or any security, guarantee or indemnity; or
- (l) any Dissolution, insolvency or similar proceedings.

19.3 Immediate recourse

- (a) The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from or enforcing against any Chargor under this Deed or any other Finance Document.
- (b) The waiver in this Clause 19.3 applies irrespective of any law or any provision of a Finance Document to the contrary.

19.4 Appropriations

On and after the occurrence of an Event of Default which is continuing and until the Final Discharge Date, each Secured Party (or any trustee or agent on its behalf) may:

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

19.5 Deferral of Chargor's rights

- (a) Until the Final Discharge Date and unless the Security Trustee otherwise directs, no Chargor shall exercise any rights which it may have to:
 - (i) receive, claim or have the benefit of any payment, guarantee, indemnity, contribution or security from or on account of any other Chargor or guarantor or surety of any Obligor's or Chargor's obligations under the Finance Documents or any member of the Group;
 - (ii) take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any guarantee, indemnity or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
 - (iii) bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of which the relevant

Chargor has given a guarantee, security, undertaking or indemnity under the Finance Documents;

- (iv) exercise any right of set-off or counterclaim or any right in relation to any “flawed asset” or “hold back” arrangement, in each case, against an Obligor or any member of the Group;
 - (v) exercise any right of quasi-retainer or other analogous equitable right; and/or
 - (vi) claim, rank, prove or vote as a creditor of an Obligor or member of the Group in competition with the Secured Parties.
- (b) If any Chargor receives any benefit, payment or distribution in relation to any right referred to in paragraph (a) above, it shall hold that benefit, payment or distribution, to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by an Obligor or the Chargor under or in connection with the Finance Documents to be repaid in full, on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct. If any benefit, payment or distribution cannot be held on trust or is applied in non-compliance with this paragraph (b), the relevant Chargor shall owe the Secured Parties a debt equal to the amount of the relevant benefit, payment or distribution and shall immediately pay or transfer that amount to the Security Trustee or as the Security Trustee may direct. All amounts received by the Security Trustee under this paragraph (b) shall be applied in accordance with Clause 22 (*Application of Proceeds*).

19.6 Security held by Chargor

- (a) No Chargor shall, without the prior written consent of the Security Trustee, hold or otherwise take the benefit of any security from any other Obligor in respect of any Chargor’s liability under this Deed.
- (b) The Chargor shall hold any security and the proceeds thereof held by it in breach of this Clause 19.6 on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct. If any security or proceeds cannot be held on trust or is or are applied in non-compliance with this paragraph (b), the relevant Chargor shall owe the Secured Parties a debt equal to the amount of the relevant security or proceeds and shall immediately pay or transfer that amount to the Security Trustee or as the Security Trustee may direct. All amounts received by the Security Trustee under this paragraph (b) shall be applied in accordance with Clause 22 (*Application of Proceeds*).

19.7 Additional security/non-merger

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

19.8 New accounts and ruling off

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

20. FURTHER ASSURANCES

The Chargor shall, at its own expense, take whatever action the Security Trustee or a Receiver may require or consider expedient for (acting reasonably in the case of paragraphs (a) and (c)):

- (a) creating, perfecting or protecting any Transaction Security intended to be created by or pursuant to this Deed;
- (b) facilitating the realisation of any Security Asset;
- (c) creating or perfecting security in favour of the Security Trustee over the assets (other than any Excluded Asset) of the Chargor located in any jurisdiction outside England and Wales; and/or
- (d) facilitating the exercise of any right, power or discretion exercisable by the Security Trustee or any Receiver in respect of any Security Asset,

including:

- (i) the execution of any legal or equitable mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Security Trustee or to its nominee;
- (ii) the transfer of legal and/or equitable title in any existing or future Real Property to a third party (including after the exercise of any right of appropriation pursuant to Clause 16.9 (*Right of appropriation*)); and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

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

21. POWER OF ATTORNEY

21.1 Appointment

- (a) The Chargor by way of security irrevocably appoints the Security Trustee and each Receiver severally as its attorney, with full power of substitution, on its behalf and in its name or otherwise, at such time and in such manner as the attorney considers fit:
- (i) if an Event of Default is not continuing, to do anything which the Chargor is obliged to do under this Deed (but has not done);
 - (ii) on and after the occurrence of an Event of Default which is continuing, to do anything which the Chargor is obliged to do under this Deed; and
 - (iii) to exercise any of the rights conferred on the Security Trustee or any Receiver in relation to any Security Asset or under any Finance Document, the LPA 1925 or the IA 1986.
- (b) The power of attorney conferred on the Security Trustee and each Receiver pursuant to paragraph (a) above shall continue notwithstanding the exercise of any right of appropriation pursuant to Clause 16.9 (*Right of appropriation*).

21.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 21.1 (*Appointment*).

21.3 Waiver

The Chargor waives any breach of clause 27.1 (*Confidential Information*) of the Note Purchase and Issuance Agreement that may occur as a result of the Security Trustee taking any action under paragraph (a) of Clause 21.1 (*Appointment*).

22. APPLICATION OF PROCEEDS

22.1 Order of application

- (a) Without prejudice to any other provision of this Deed, all amounts and other proceeds or assets received by the Security Trustee or any Receiver pursuant to this Deed or the powers conferred by it shall be applied in the following order of priority:
- (i) *first*, in or towards payment to the relevant parties, on a pro rata basis according to the respective amounts thereof, of the remuneration, costs and expenses and all other amounts due to the Security Trustee and any Receiver or Receivers appointed by the Security Trustee pursuant to this Deed;
 - (ii) *second*, to the Holders of the Loan Notes, on a pro rata basis according to the respective amounts thereof, in or towards all amounts of interest and principal then due or overdue and any other amounts due in respect of the Loan Notes; and
 - (iii) *thirdly*, the surplus (if any) to the Issuer.

- (b) The order of application referred to in paragraph (a) above shall override any appropriation by any Chargor.

22.2 Receiver's receipts

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

23. EXPENSES AND INDEMNITIES

23.1 Remuneration

The Chargor shall pay to the Security Trustee an annual fee for its services. The amount and due dates of the fee will be agreed in a separate fee letter between the Security Trustee and the Chargor.

23.2 Indemnity

- (a) The Chargor shall:
- (i) promptly on demand, pay and reimburse each Secured Party, attorney, manager or other person (including each of their respective agents, employees and officers) appointed by the Security Trustee or a Receiver under this Deed (each, an ***Indemnified Person***), on the basis of a full indemnity, all Costs and Expenses incurred by that Indemnified Person in connection with the holding, preservation or enforcement or the attempted preservation or enforcement of any Secured Party's rights under this Deed or otherwise in connection with the performance of this Deed or any documents required pursuant to (or in connection with) this Deed, including any Costs and Expenses arising from any actual or alleged breach by any person of any law, agreement or regulation, whether relating to the environment or otherwise (including the investigation of that breach), in each case, together with interest accruing on those Costs and Expenses at the Default Rate for the period from and including the date on which those Costs and Expenses were incurred up to and excluding the date on which they were reimbursed; and
 - (ii) keep each Indemnified Person indemnified against any failure or delay in paying the Costs and Expenses and interest referred to in paragraph (i) above.
- (b) Any Indemnified Person who is not a Party may rely on this Clause 23 and enforce its terms under the Third Parties Act.
- (c) The Security Trustee and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 23.2 and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to it.

24. CHANGES TO PARTIES

24.1 Transfer by the Security Trustee

- (a) The Security Trustee may at any time, without the consent of any Chargor, assign or otherwise transfer all or any part of its rights or obligations under this Deed to any

successor or additional Security Trustee appointed in accordance with the Finance Documents. Upon that assignment or transfer taking effect, the successor or additional Security Trustee shall act, and shall be deemed to be acting, as trustee for itself and each other Secured Party for the purposes of this Deed in accordance with Clause 26.7 (*Secured Parties*), (in the case of a successor Security Trustee) in place of, or (in the case of an additional Security Trustee) in addition to, the current Security Trustee.

- (b) The Chargor shall, immediately upon a request from the Security Trustee, enter into such documents and do all such acts as may be necessary or desirable to effect the assignment or transfer referred to in paragraph (a) above.

24.2 Transfer by the Chargor

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

24.3 Changes to the Parties

The Chargor agrees to be bound by the terms of clauses 18 (*Changes to the Holders*) of the Note Purchase and Issuance Agreement and authorises the Security Trustee to execute on its behalf any document the Security Trustee considers necessary or desirable in relation to the creation, perfection or maintenance of the Transaction Security, the rights of the Security Trustee under this Deed or any transfer or assignment contemplated by those provisions.

25. PROTECTION OF THE SECURITY TRUSTEE

25.1 Limitation of Liability

- (a) The Security Trustee shall be entitled to rely and act on any instruction given in accordance with this Deed and any other Finance Document without further enquiry and, subject to paragraph (b) below, to assume that any such instruction is:

- (i) properly given in accordance with the provisions of this Deed and the other Finance Documents;
- (ii) properly given, where appropriate, in accordance with any directions of persons or the provisions of agreements by which the other Secured Parties are bound; and
- (iii) not revoked unless actual notice of revocation is received,

and the Security Trustee, any Receiver or any Delegate shall not be liable to any person for any action taken or omitted to be taken under or in connection with this Deed or any other Finance Document in accordance with any such instruction except in the case of any gross negligence, wilful default or fraud of any such Security Trustee.

- (b) The Security Trustee shall be entitled to act upon any notice, request or other communication of any Party for the purposes of this Deed or any of the Finance Documents if such notice, request or other communication purports to be signed or sent by or on behalf of any authorised signatory of such Party.

- (c) Subject to sections 750 and 751 of the Companies Act 2006 (if applicable) and notwithstanding anything to the contrary in the Finance Documents, neither Security Trustee shall be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to the Finance Documents except in the case of any gross negligence, wilful default or fraud on its part.
- (d) Any liability of the Security Trustee, any Receiver or any Delegate arising under the Finance Documents shall be limited to the amount of actual loss suffered (such loss shall be determined as at the date of default of such Security Trustee, Receiver or Delegate or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Trustee, Receiver or Delegate at the time of entering into the Finance Documents, or at the time of accepting any relevant instructions, which increase the amount of loss. In no event shall the Security Trustee, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive or consequential damages, whether or not such Security Trustee, Receiver or Delegate has been advised of the possibility of such loss or damages except in the case of any gross negligence, wilful default or fraud of such Security Trustee. This Clause 25.1(d) shall not apply in the event that a court with jurisdiction determines that the Security Trustee has acted fraudulently or to the extent the limitations of such liability would be precluded by virtue of sections 750 and 751 of the Companies Act 2006.
- (e) Neither the Security Trustee, any Receiver, any Delegate nor any other Secured Party is responsible to any Obligor for any enforcement or failure to enforce or to maximise the proceeds of any enforcement of the Security Assets other than as set out in law.
- (f) The Security Trustee, any Receiver or any Delegate shall not be responsible for and shall have no liability in respect of any cost, loss or any liability whatsoever any person incurs or any diminution in value (whether caused by the the Security Trustee's or any Receiver's or Delegate's negligence or any other category of liability whatsoever, but not including any claim based on gross negligence, wilful misconduct or fraud of the Security Trustee or any Receiver or Delegate) arising as a result of:
 - (i) any act, event or circumstance not reasonably within its control; or
 - (ii) the general risks of investment in, or the holding of assets in, any jurisdiction, including (in each case and without limitation) any such cost, loss or liability or diminution in value arising as a result of: nationalisation, expropriation or other governmental action; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; any natural disaster or act of God; war, terrorism, insurrection or revolution; or any strike or industrial action.

25.2 Discretions and duties

- (a) Where the Security Trustee, any Receiver or any Delegate exercises or fails to exercise any power, trust, authority or discretion hereby vested in it under this Deed or the other Finance Documents, it shall be in no way responsible for any losses,

costs, damages or expenses which may be suffered by any other Secured Party or any other Party as a result of the exercise or non-exercise except in the case of any gross negligence, wilful default or fraud of the Security Trustee.

- (b) The Security Trustee's duties under the Finance Documents are solely mechanical and administrative in nature.
- (c) Notwithstanding any provision of any Finance Document to the contrary, the Security Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

25.3 Instructions

- (a) The Security Trustee shall:
 - (i) subject to paragraphs (d) and (e) below, exercise or refrain from exercising any right, power, authority or discretion vested in it as Security Trustee in accordance with any instructions given to it by the Enforcement Instructing Group; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above.
- (b) The Security Trustee shall be entitled to request instructions, or clarification of any instruction from the Enforcement Instructing Group as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Trustee may refrain from acting unless and until it receives those instructions or that clarification.
- (d) Save in the case of decisions stipulated to be a matter for any other Creditor or group of Creditors under this Agreement and unless a contrary intention appears in this Agreement, any instructions given to the Security Trustee by the Enforcement Instructing Group shall override any conflicting instructions given by any other Parties and will be binding on all Secured Parties.
- (e) Without prejudice to the provisions of Clause 16, in the absence of instructions, the Security Trustee may act (or refrain from acting) as it considers in its discretion to be appropriate.

25.4 Protections

By way of supplement to the Trustee Acts, it is expressly declared (subject to Clause 25.1 (*Limitation of Liability*)) as follows:

- (f) *Advice*: the Security Trustee may in relation to any of the provisions of this Deed or any of the other Finance Documents obtain and act on the opinion, report or advice of or any information obtained from any lawyer, valuer, surveyor, broker, auctioneer, banker, accountant (including any auditor) or other expert whether obtained by any Obligor, or any Secured Party or by the Security Trustee or otherwise, and whether or not addressed to the Security Trustee and shall not be responsible to anyone for any liability occasioned by so acting. The Security Trustee may rely without liability to any person on any certificate, opinion or report prepared by any such expert pursuant

to this Deed or the other Finance Documents, whether or not addressed to the Security Trustee, notwithstanding that such certificate, advice, opinion, information or report and/or any engagement letter or other related document contains a monetary or other limit on the liability or limits the scope and/or basis of such advice, opinion, report or information;

- (g) *Transmission of Advice:* any opinion, advice, information, certificate or report obtained pursuant to the foregoing paragraph (a) above may be sent or obtained by letter, facsimile transmission, telephone or other means and the Security Trustee shall not be liable for acting on any opinion, advice, information, certificate or report purporting to be so conveyed or any other document purporting to be conveyed from any Obligor, or any Secured Party, or any other Party although, in any such case, the same may contain some error or may not be authentic;
- (h) *Certificate of Authorised Signatories or directors:* if the Security Trustee in the exercise of its functions, requires to be satisfied or to have information as to any factor or the expediency of any act, it may call for and shall be at liberty to accept, as sufficient evidence of any fact, matter or the expediency of that act, a certificate which is signed by any two authorised signatories or one director (as the case may be) of the Issuer or any other party to any Finance Document. The Security Trustee need not call for further evidence or be responsible for any liability that may be occasioned by it acting on any such certificate;
- (i) *Communications:* The Security Trustee shall be entitled to rely upon any communication, document or certificate believed by it acting in good faith to be genuine and shall not be bound to call for any further evidence or be liable for acting thereon;
- (j) *Personal data:* Notwithstanding the other provisions of the Finance Documents, the Security Trustee may collect, use and disclose personal data relating to individuals associated with the Issuer and/or the other parties, so that the Security Trustee can carry out its obligations to the Issuer and the other parties and for other related purposes, including auditing, monitoring and analysis of its business, fraud and crime prevention, money laundering, legal and regulatory compliance by the Security Trustee or members of either Security Trustee's corporate group or other services. Each Security Trustee will keep the personal data up to date. The Security Trustee may also transfer personal data to any country (including countries outside the European Economic Area where there may be less stringent data protection laws) to process information on the Security Trustees' behalf. Wherever it is processed, the personal data will be protected by a strict code of secrecy and security to which all members of each Security Trustee's corporate group, their staff and any third parties are subject, and will only be used in accordance with each Security Trustee's instructions.
- (k) *Security Trustee not responsible for investigating:* the Security Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, warranty, representation or covenant of any party contained in this Deed or any other Finance Document or in any other document entered into in connection therewith (and shall assume the accuracy and correctness thereof) and the Security Trustee may accept without enquiry, requisition or objection such title as the Chargor may have to the Security Assets or any part thereof or any item comprised therein from time to time and shall not be bound to investigate or make any enquiry into the title of the Chargor to the Security Assets or any part thereof or any such item from time to time whether or not any default or failure is or was known to the Security Trustee or might be, or might have been, discovered upon examination, inquiry or

investigation and whether or not capable of remedy. Each Secured Party shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Security Trustee shall not at any time have any responsibility for the same and no Secured Party shall rely on the Security Trustee in respect thereof;

- (l) *Freedom to refrain:* Notwithstanding anything else contained in this Deed or the other Finance Documents, the Security Trustee may refrain from doing anything which would or might in its opinion be contrary to any law of any jurisdiction or any directive or regulation of any agency of any state or which would or might in its opinion otherwise render it liable to any person and may do anything which is in its opinion necessary to comply with any such law, directive or regulation;
- (m) *Obligation to exercise any discretion or take any action subject to indemnification:* In relation to any discretion to be exercised or action to be taken by the Security Trustee under any Finance Document, the Security Trustee may, at its discretion and without further notice or shall, if it has been so directed by, relevant Holders of the Loan Notes, exercise such discretion or take such action, provided that, in either case, the Security Trustee shall not be obliged to exercise such discretion or take such action unless it shall have been indemnified and/or secured to its satisfaction against all liabilities and provided that the Security Trustee shall not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Secured Parties.
- (n) *No responsibility to perfect Transaction Security:* the Security Trustee shall not be liable for any failure, omission or defect in registering or otherwise perfecting the security constituted by any of the Transaction Security Documents including without prejudice to the generality of the foregoing:
 - (i) failure to obtain any licence, consent or other authority for the execution of any Transaction Security Document;
 - (ii) failure to register the same in accordance with the provisions of any of the documents of title of the Chargor to any of the property charged pursuant to any Transaction Security Document;
 - (iii) take, or to require the Chargor to take, any step to perfect its title to any of the Security Property or to render the Transaction Security effective or to secure the creation of any ancillary security under any law or regulation; or
 - (iv) require any further assurance in relation to any Transaction Security Document;
- (o) *Insurance:* The Security Trustee shall not be obliged:
 - (i) to insure any of the Security Property;
 - (ii) to require any other person to maintain any insurance; or
 - (iii) to verify any obligation to arrange or maintain insurance contained in any Finance Document,

and the Security Trustee shall not be liable or responsible for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.

Where the Security Trustee is named on any insurance policy as an insured party, it shall not be liable for any damages, costs or losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless the Holders of the Loan Notes request it to do so in writing and the Security Trustee fails to do so within fourteen days after receipt of that request.

- (p) *No Liability for loss:* the Security Trustee will not be liable for any decline in the value nor any loss realised upon any sale or other disposition of any of the Security Assets made pursuant to this Deed. In particular and without limitation, the Security Trustee shall not be liable for any such decline or loss directly or indirectly arising from its acting or failing to act as a consequence of an opinion reached by it in good faith based on advice received by it in accordance with the Finance Documents;
- (q) *Custodians or nominees:* the Security Trustee may appoint and pay any competent person to act as a custodian or nominee on any terms in relation to such assets of the trust constituted by the Transaction Security Documents as the Security Trustee may determine, including for the purpose of depositing with a custodian this Deed or any other Transaction Security Document and the Security Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceeding incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder in good faith or be bound to supervise the proceedings or acts of any such person;
- (r) *Agents:* the Security Trustee may in the conduct of the trusts hereof instead of acting personally employ and pay an agent on any terms whether being a solicitor, accountant, tax advisor or other appropriately qualified person to transact or concur in transacting any business and to do or concur in doing any acts required to be done by the Security Trustee including the receipt and payment of money and any agent being a solicitor, broker or other person engaged in any profession or business shall be entitled to be paid all usual professional and other charges for business transacted and acts done by him or any partner of his in connection with the trusts hereof and the Security Trustee shall not be responsible to anyone for any loss, liability, expense, demand, cost or claim incurred by reason of the misconduct, omission or default of any such person properly appointed by it hereunder in good faith or be bound to notify anyone of such appointment or to supervise the acts of such agent;
- (s) *Delegation:* the Security Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Deed or any other Finance Document, act by responsible officers or a responsible officer for the time being of the Security Trustee and the Security Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any competent person or persons or fluctuating body of competent persons (whether being a joint trustee of this Agreement or not) all or any of the trusts, powers, authorities and discretions vested in it by this Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Security Trustee) as the Security Trustee may think fit, and the Security Trustee shall not be bound to supervise the proceedings and provided that the Security Trustee has exercised reasonable care in the selection of such delegate, shall not in any way or to any extent be responsible for any loss, liability, expense, demand, cost or claim incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate (and shall give written notice to the Issuer prior to it making such delegation);

- (t) *No responsibility for Security Assets:* the Security Trustee shall not be responsible for any loss, expense or liability occasioned to the Security Assets however caused by any act or omission of the Chargor or any other person (including any bank, broker, depository, warehouseman or other intermediary or any clearing system or the operator thereof) acting in accordance with or contrary to the terms of any of the Finance Documents or otherwise and irrespective of whether the Security Assets is held by or to the order of any of the foregoing persons, unless such loss is occasioned by any wilful default, gross negligence or fraud of the Security Trustee. In particular, the Security Trustee shall not be responsible for any loss, liability or expense which may be suffered as a result of any assets comprised in the Security Assets, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by it or by or to the order of any custodian or by clearing organisations or their operators or by any person whether or not on behalf of the Security Trustee;
- (u) *Enquiries and searches:* the Security Trustee shall not be liable for not having made or not having caused to be made on its behalf the searches, investigations and enquiries which a prudent chargee might make in entering into this Deed. The Security Trustee does not have any responsibility in relation to the validity, sufficiency or enforceability of the Security;
- (v) *Validity of documents:* the Security Trustee shall not be responsible for the legality, validity, effectiveness, suitability, adequacy or enforceability of any Finance Document or other documents entered into in connection therewith or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted thereby or pursuant thereto, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court;
- (w) *Conflict:* neither the Security Trustee nor any of its directors or officers shall by reason of the fiduciary position of the Security Trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer or any person or body corporate directly or indirectly associated with the Issuer, or from accepting the trusteeship of any other debenture stock, debentures or security of the Issuer or any person or body corporate directly or indirectly associated with the Issuer, and neither the Security Trustee nor any such director or officer shall be accountable to any Secured Party for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Security Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit;
- (x) *Information:* where any Holding Company, Subsidiary or associated company of the Security Trustee or any director or officer of the Security Trustee acting other than in his capacity as such a director or officer has any information, the Security Trustee shall not thereby be deemed also to have knowledge of such information and shall not be responsible for any loss resulting from the Security Trustee failing to take such information into account in acting or refraining from acting under or in relation to this Deed;
- (y) *Notice of execution:* the Security Trustee need not notify anyone of the execution of this Deed or any related documents or take any steps to find out whether a Event of Default, or other default, breach or termination event under any Finance Document has happened. Until it has actual knowledge or express notice pursuant to the Deed to the contrary, the Security Trustee may assume that no Event of Default or other default, breach or termination event under any Finance Document has happened and

that the Obligors, and each other party to any such document is performing all its obligations under any Finance Document and/or in respect of the Secured Obligations and on its part to be performed and observed;

- (z) *Monitoring*: the Security Trustee shall not be responsible for:
 - (i) exercising the rights of any of the parties under the Finance Documents except as specifically provided for thereunder;
 - (ii) monitoring compliance by any of the parties with their respective obligations under the Finance Documents;
 - (iii) considering the basis upon which approvals or consents are granted by any of the parties under the Finance Documents; or
 - (iv) evaluating the security granted with respect to the Finance Documents either initially or on a continuing basis;
- (aa) *Security Trustee's consent*: subject to the provisions of this Deed, any consent or approval given by the Security Trustee for the purposes of this Deed or the other Finance Documents may be given on such terms and subject to such conditions (if any) as the Security Trustee thinks fit and, notwithstanding anything to the contrary contained in this Deed or the other Finance Documents, may be given retrospectively;
- (bb) *Confidentiality*: the Security Trustee shall not (unless and to the extent ordered so to do by a court of competent jurisdiction or as required by this Deed) be required to disclose to any person any information (including, without limitation, information of a confidential, financial or price-sensitive nature) made available to the Security Trustee by the Obligors or any other person in connection with this Deed or the other Finance Documents and no person shall be entitled to take any action to obtain from the Security Trustee any such information;
- (cc) *Error of judgement*: the Security Trustee, any Receiver or Delegate shall not be liable for any error of judgement made in good faith by any officer or employee of the Security Trustee, Receiver or Delegate assigned by it to administer its corporate trust matters;
- (dd) *Professional charges*: any trustee of this Deed being a lawyer, accountant, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his firm in connection with the trusts of this Deed and the other Finance Documents and also his charges in addition to disbursements for all other work and business done and all time spent by him or his firm in connection with matters arising in connection with this Deed and the other Finance Documents;
- (ee) *Requests and instructions*: the Security Trustee shall have no responsibility for investigating whether any request or instruction given to it by any party breaches any rights or restriction set out in this Deed or any Finance Document. If any Secured Party, in issuing any requests or instructions under this Agreement, breaches any rights or restrictions set out in this Deed or any Finance Document, this shall not invalidate the requests or instructions unless such Secured Party informs the Security Trustee in relation to a request or instruction made or given by it before the Issuer Security Trustee commences to act on such request or instruction that such request or instruction was invalid and should not be acted on. If the Security Trustee is so informed after it has commenced acting on a request or instruction, the validity of any

action taken shall not be affected but the Security Trustee shall take no further action in accordance with such request or instruction, except to the extent that it has become legally obliged to do so;

- (ff) *Mortgagee in possession*: notwithstanding any other provision of this Agreement or any other Transaction Document, the Security Trustee shall not be obliged to become a mortgagee in possession thereunder (or its equivalent in any other applicable jurisdiction) or take any action which would expose it to any liability in respect of environmental claims in respect of which it has not been indemnified and/or secured to its satisfaction.

25.5 Resignation of the Security Trustee

- (a) The Security Trustee may resign and appoint one of its Affiliates as successor by giving notice to the Holders and the Chargor.
- (b) Alternatively the Security Trustee may resign by giving 30 days' notice to the Holders and the Chargor, in which case the Enforcement Instructing Group may appoint a successor Security Trustee.
- (c) If the Enforcement Instructing Group have not appointed a successor Security Trustee in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Security Trustee (after consultation with the Holders) may appoint a successor Security Trustee.
- (d) The retiring Security Trustee shall, at its own cost, make available to the successor Security Trustee such documents and records and provide such assistance as the successor Security Trustee may reasonably request for the purposes of performing its functions as Security Trustee under the Finance Documents.
- (e) The Security Trustee's resignation notice shall only take effect upon:
 - (i) the appointment of a successor; and
 - (ii) the transfer of all the Security Property to that successor.
- (f) Upon the appointment of a successor, the retiring Security Trustee shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) of Clause 25.7 (*Winding up of trust*) and paragraph (d) above) but shall remain entitled to the benefit of this Clause 25.5 and Clause 23.2 (*Indemnity*) (and any Security Trustee fees for the account of the retiring Security Trustee shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original Party.
- (g) The Enforcement Instructing Group may, by notice to the Security Trustee, require it to resign in accordance with paragraph (b) above. In this event, the Security Trustee shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (d) above shall be for the account of the Chargor.

25.6 Security Trustee's management time and additional remuneration

- (a) Any amount payable to the Security Trustee under Clause 23.1 (*Remuneration*) or Clause 23.2 (*Indemnity*) shall, for so long as an Event of Default is continuing,

include the cost of utilising the Security Trustee's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Security Trustee may notify to the Chargor and the Holders, and is in addition to any other fee paid or payable to the Security Trustee.

- (b) Without prejudice to paragraph (a) above, in the event of:
- (i) a Default any other default; or
 - (ii) the Security Trustee being requested by an Obligor or the Holders to undertake duties which the Security Trustee and the Chargor agree to be of an exceptional nature or outside the scope of the normal duties of the Security Trustee under the Finance Documents; or
 - (iii) the Security Trustee and the Chargor agreeing that it is otherwise appropriate in the circumstances,

the Borrower shall pay to the Security Trustee any additional remuneration (together with any applicable VAT) that may be agreed between them or determined pursuant to paragraph (c) below.

- (c) If the Security Trustee and the Chargor fail to agree upon the nature of the duties or upon the additional remuneration referred to in paragraph (b) above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Trustee and approved by the Chargor or, failing approval, nominated (on the application of the Security Trustee) by the President for the time being of the Law Society of England and Wales (the costs of the nomination and of the investment bank being payable by the Chargor) and the determination of any investment bank shall be final and binding upon the Parties.

25.7 Winding up of trust

If the Security Trustee, with the approval of all of the Holders, determines that:

- (a) all of the Secured Obligations and all other obligations secured by the Transaction Security Documents have been fully and finally discharged; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents,

then:

- (i) the trusts set out in this Deed shall be wound up and the Security Trustee shall release, without recourse or warranty, all of the Transaction Security and the rights of the Security Trustee under each of the Transaction Security Documents; and
- (ii) any Security Trustee which has resigned pursuant to Clause 25.5 shall release, without recourse or warranty, all of its rights under each Transaction Security Document.

25.8 Register of Holders

- (a) The Chargor shall promptly notify the Security Trustee of any changes to the Holders of the Loan Notes as reflected in the Register.
- (b) The Chargor shall, upon receipt of written request from the Security Trustee, provide a certified copy of the Register which shall, in the absence of manifest error, be conclusive evidence of the information contained therein. A person or entity appearing as the current holder of the Loan Notes in the Register shall be treated as the absolute owner of the Loan Notes for all purposes and the Security Trustee, any Receiver or Delegate shall not be liable for so treating such Holder.

26. MISCELLANEOUS

26.1 Further advances

- (a) The Security Trustee confirms on behalf of each Secured Party that, subject to the terms of the Finance Documents, each Secured Party is under an obligation to make further advances or other financial accommodation to the Issuer. That obligation shall be deemed to be incorporated into this Deed as if set out in this Deed.
- (b) This Deed secures advances and financial accommodation already made under the Finance Documents and further advances and financial accommodation to be made under the Finance Documents.

26.2 Time deposits

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

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

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

26.3 Security Trustee's liability

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

- (a) the realisation of any Security Asset or the taking of any other action permitted by this Deed; or
- (b) resulting from or arising in connection with any act, neglect, default, omission or misconduct of the Security Trustee, any Receiver or any other Secured Party (or any agent, employee or officer of any of them) in relation to any Security Asset or in connection with any Finance Document,

and each such person who is not a Party may rely on this Clause 26.3 and enforce its terms under the Third Parties Act.

26.4 Failure to execute and intention to be bound

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

26.5 Execution as a deed

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

26.6 Determinations

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

26.7 Secured Parties

Each Party agrees that the Security Trustee's interests and rights under, and in respect of, this Deed shall be held by the Security Trustee as for itself and the other Secured Parties from time to time on the terms set out in the Conditions of the Loan Notes. Accordingly, unless the context requires otherwise, all references in this Deed to the Security Trustee are to the Security Trustee in its capacity as trustee. However, no Secured Party may enforce the terms of this Deed other than in accordance with the terms of the Conditions of the Loan Notes and may only exercise its rights and remedies under this Deed through the Security Trustee. In addition, this Deed may be amended, varied, waived, released, terminated and/or rescinded by the Security Trustee in accordance with the Conditions of the Loan Notes and no other Secured Party may argue to the contrary and waives any rights that it may have to do so.

26.8 Joint and several liability

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

27. PARTIAL INVALIDITY

- (a) If at any time any provision of this Deed is or becomes invalid, illegal, void or unenforceable in any respect under the law of any jurisdiction, that shall not in any way affect or impair:
 - (i) the legality, validity or enforceability of that provision under the law of any other jurisdiction; or

- (ii) the legality, validity or enforceability of the remaining provisions under the law of that jurisdiction or any other jurisdiction.
- (b) The Parties shall enter into good faith negotiations (but without any liability whatsoever in the event of no agreement being reached) to replace any invalid, illegal, void or unenforceable provision of this Deed, with a view to obtaining the same commercial effect as this Deed would have had if that provision had been valid, legal and enforceable.

28. TRUSTS

If any trust intended to arise pursuant to any provision of this Deed or any other Finance Document fails or for any reason (including the laws of any jurisdiction in which any assets, monies, payments or distributions may be situated, or pursuant to any provision of this Deed) does not otherwise take effect, the relevant Chargor shall:

- (a) hold at the direction of the Security Trustee the amount, proceeds or Security Asset or other assets intended to be held on trust; and
- (b) owe the Secured Parties a debt equal to that amount or the value of those proceeds or that Security Asset or those other assets and, if required by the Security Trustee, the Chargor shall immediately pay or transfer to the Security Trustee, or as the Security Trustee may direct, an amount equivalent to that debt. All amounts received by the Security Trustee under this paragraph (b) shall be applied in accordance with Clause 22 (*Application of Proceeds*).

29. AMENDMENTS

Other than as provided in the Loan Note Instrument, this Deed may only be amended, modified or waived in any respect with the prior written consent of the Security Trustee and the Chargor, such consent to be given with express reference to this Clause 29.

30. REMEDIES AND WAIVERS

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

31. NOTICES

31.1 Notices

Any notice or other communication to be served under or in connection with this Deed shall be made in accordance with clause 21 (*Notices*) of the Note Purchase and Issuance Agreement and this clause (other than paragraph (c) of clause 21.3 (*Delivery*)) is incorporated into this Deed as if set out in full in this Deed, except that references to “this Agreement” shall be construed as references to this Deed and that in respect of the Security Trustee, the address and notice details are those identified with its name below.

32. COUNTERPARTS

This Deed may be executed in any number of counterparts, and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

33. GOVERNING LAW

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

34. ENFORCEMENT

34.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a *Dispute*).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 34.1 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

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

SCHEDULE 1

ORIGINAL CHARGORS

Name of Original Chargors	Jurisdiction of incorporation	Registered number
Liberty Onesteel (Primary) UK Ltd	England and Wales	10934445

SCHEDULE 2

SECURITY ASSETS

Part A

Real Property

Chargor	Freehold/leasehold	Description	Title number
n/a	n/a	n/a	n/a

Part B

Shares

Chargor	Issuer/member of the Group	Number and class of shares	Details of nominees holding legal title
n/a	n/a	n/a	n/a

Part C

Accounts

Chargor	Account Bank	Account number	Sort code	Description
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a

Part D

Insurance Policies

Chargor	Insurer	Policy number	Description
n/a	n/a	n/a	n/a

Part E

Material Contracts

Chargor	Date of Material Contract	Parties	Description
n/a	n/a	n/a	n/a

Part F
Intellectual Property

Trade marks				
Chargor	Trade mark number	Jurisdiction/ apparent status	Classes	Mark text
n/a	n/a	n/a	n/a	n/a

Patents		
Chargor	Patent number	Description
n/a	n/a	n/a

SCHEDULE 3

FORM OF NOTICE AND ACKNOWLEDGMENT FOR ACCOUNTS

To: [Account Bank]

Copy: [●] as Security Trustee

Date: [●]

Dear Sir / Madam,

Security agreement dated [●] between [us and certain other companies (as Chargor)] and [●] (the Security Trustee) (the Security Agreement) – Notice of [[assignment]/[charge]]

1. We refer to the Security Agreement. This is notice that, pursuant to the Security Agreement, we and each company listed in the schedule to this notice (each the Chargor) have charged by way of a first fixed charge to the Security Trustee (on behalf of certain Secured Parties referred to in the Security Agreement) all our respective right, title and interest in and to the accounts identified in respect of the Chargor in the schedule to this notice and to any other accounts from time to time maintained with you by any Chargor (together, the **Accounts**), together with all amounts standing to the credit of, and the debts represented by, the Accounts from time to time. We confirm to you that we are authorised to give this notice on behalf of the other Chargor.

2. With effect from the date of your receipt of this notice:

- (a) the Chargor agrees and instructs that the terms and conditions relating to its Accounts designated as “Blocked” in the schedule to this notice may not be terminated, rescinded, amended, varied or waived without the prior written consent of the Security Trustee;
- (b) no Chargor may withdraw or transfer any amount from its Accounts designated as “Blocked” in the schedule to this notice without the prior written consent of the Security Trustee; and
- (c) the Chargor may withdraw or transfer amounts from its Accounts designated as “Not blocked” in the schedule to this notice until such time as the Security Trustee provides written notification to you that such permission is withdrawn (and the Security Trustee may withdraw or notify this permission in its absolute and sole discretion at any time).

3. You are irrevocably authorised and instructed, without requiring further approval from any Chargor to:

- (a) pay all monies received by you for the Accounts to (and only to) the credit of the Accounts;
- (b) provide the Security Trustee with such information relating to the Accounts as it may from time to time request; and
- (c) comply with the terms of any written notice or instruction in any way relating to, or purporting to relate to, the Security Agreement, the amounts standing to the credit of

the Accounts from time to time or the debts represented by them which you receive at any time from the Security Trustee without any reference to or further authority from any Chargor and without any enquiry by you as to the justification for or validity of that notice or instruction.

4. These instructions may not be revoked or amended without the prior written consent of the Security Trustee. We agree that you may comply with the terms of this notice without any further permission from any Chargor and without enquiry by you as to the justification for or validity of any request, notice or instruction.

5. Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to us) to confirm (by way of undertaking in favour of the Security Trustee) that:

- (a) you agree to the terms of this notice and to act in accordance with its provisions;
- (b) you have not received notice of the interest (of whatever nature) of any third party in any Account or of the creation of any security, set-off, counterclaim or similar right in favour of any third party in any Account; and
- (c) you have not and will not claim, exercise or enforce any security interest, right of set-off, combination of accounts, counterclaim or similar right in respect of the Accounts or the debts represented by them without the prior written consent of the Security Trustee or, in relation to the Accounts designated as "Not blocked" in the schedule to this notice, only pursuant to the current account netting arrangements previously approved in writing by the Security Trustee.

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

7. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice (including a dispute relating to the existence, validity or termination of this notice or any non-contractual obligation arising out of or in connection with this notice) (a *Dispute*). Each party to this notice agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary. For such purposes, each party to this notice irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

Yours faithfully,

.....
for and on behalf of
the Chargor

.....
for and on behalf of
[•] as Security Trustee

SCHEDULE

Chargor	Account number	Sort code	Status
[•]	[•]	[•]	[Blocked/Not blocked] ¹

¹ Each Blocked Account will be a “blocked” account. Each Collection Account will be specified as “not blocked”.

[On acknowledgment copy]

To: [•] as Security Trustee
[Address]

Copy to: Chargor

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

.....
for and on behalf of
[Account Bank]

Date: [•]

SCHEDULE 4

FORM OF NOTICE AND ACKNOWLEDGMENT FOR INSURANCE POLICIES

To: [Insurer/insurance broker]

Copy: [●] as Security Trustee

Date: [●]

Dear Sir / Madam,

Security agreement dated [●] between [us and certain other companies (as Chargor)] and [●] (the *Security Trustee*) (the *Security Agreement*) – Notice of assignment

1. We refer to the Security Agreement. This is notice that, pursuant to the Security Agreement, [we have assigned absolutely (subject to a proviso for reassignment in accordance with the Security Agreement) to the Security Trustee (on behalf of certain Secured Parties referred to in the Security Agreement)][we have charged by way of a first fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties,] all our respective right, title and interest in and to the insurance policies identified in respect of the Chargor in the schedule to this notice (and the proceeds of them) and to any other insurance policies (and the proceeds of them) taken out with you by or on behalf of the Chargor or under which the Chargor has a right to a claim (other than in relation to third party liabilities or similar claims) (together, the ***Insurance Policies***).

2. A reference in this notice to any amount excludes all amounts received or receivable under or in connection with any third party liability or similar insurance and required to settle a liability of any Chargor or Obligor referred to in the Security Agreement to a third party.

3. On behalf of the Chargor, we confirm that:

- (a) the Chargor shall remain liable under its Insurance Policies to perform all the obligations assumed by it under its Insurance Policies; and
- (b) neither the Security Trustee nor any Secured Party referred to in this notice (nor any agent, employee or officer of either of them) nor any receiver, administrator or other person shall at any time be under any obligation or liability to you under or in respect of the Insurance Policies of any Chargor.

4. Notwithstanding the [charge][assignment] by the Chargor of its rights under its Insurance Policies to the Security Trustee, the Chargor shall be entitled to exercise all of the rights expressed to be given to it thereunder, and you should continue to give notices under the Insurance Policies to the relevant Chargor, until such time as the Security Trustee provides written notification to the contrary. Thereafter, unless the Security Trustee otherwise agrees in writing:

- (a) all amounts payable under the Insurance Policies should be paid to the Security Trustee or as it directs; and
- (b) all rights in respect of the Insurance Policies shall be exercisable by the Security Trustee and notices under the Insurance Policies should be given to the Security Trustee or as it directs.

5. These instructions may not be revoked or amended without the prior written consent of the Security Trustee. We agree that you may comply with the terms of this notice without any further permission from any Chargor and without enquiry by you as to the justification for or validity of any request, notice or instruction.

6. Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to us) to confirm (by way of undertaking in favour of the Security Trustee) that:

- (a) you agree to the terms of this notice and to act in accordance with its provisions;
- (b) you have not received notice of the interest (of whatever nature) of any third party in any of the Insurance Policies or of the creation of any security, set-off, counterclaim or similar right in favour of any third party in any of the Insurance Policies;
- (c) the Security Trustee shall not in any circumstances be liable for the premium or any other necessary amounts, in each case, in relation to the Insurance Policies. However, the Security Trustee may, in its absolute and sole discretion, elect to pay any such amount if the Chargor fails to do so; and
- (d) if the Security Trustee elects to make a payment under paragraph (g) above, you will allow the Security Trustee to do so.

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

8. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice (including a dispute relating to the existence, validity or termination of this notice or any non-contractual obligation arising out of or in connection with this notice) (a *Dispute*). Each party to this notice agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary. For such purposes, each party to this notice irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

Yours faithfully,

.....
for and on behalf of
the Chargor

.....
for and on behalf of
[•] as Security Trustee

SCHEDULE

Chargor	Insurer	Policy number	Description
[•]	[•]	[•]	[•]

[On acknowledgment copy]

To: [•] as Security Trustee
[Address]

Copy to: Chargor

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

.....
for and on behalf of
[Insurer/insurance broker]

Date: [•]

SCHEDULE 5

FORM OF NOTICE AND ACKNOWLEDGMENT FOR MATERIAL CONTRACTS

To: [Counterparty to relevant Material Contract]

Copy: [•] as Security Trustee

Date: [•]

Dear Sir / Madam,

Security agreement dated [•] between [us and certain other companies (as Chargor)] and [•] (the Security Trustee) (the Security Agreement) – Notice of assignment

1. We refer to the Security Agreement. This is notice that, pursuant to the Security Agreement, [we have assigned absolutely (subject to a proviso for reassignment in accordance with the Security Agreement) to the Security Trustee (on behalf of certain Secured Parties referred to in the Security Agreement)][we have charged by way of fixed charge in favour of the Security Trustee, to be held by the Security Trustee on trust for itself and the other Secured Parties,] all our right, title and interest in and to [insert details of relevant Material Contract] (the **Material Contract**).

2. We confirm that:

- (a) we shall remain liable under the Material Contract to perform all the obligations assumed by us under the Material Contract; and
- (b) neither the Security Trustee nor any Secured Party referred to in this notice (nor any agent, employee or officer of either of them) nor any receiver, administrator or other person shall at any time be under any obligation or liability to you under or in respect of the Material Contract.

3. Notwithstanding the [assignment][charge] by us of our rights under the Material Contract to the Security Trustee, we shall be entitled to exercise all of the rights expressed to be given to us thereunder, and you should continue to give notices under the Material Contract to us, until such time as the Security Trustee provides written notification to the contrary. Thereafter (unless the Security Trustee otherwise agrees in writing), all rights in respect of the Material Contract (including the right to direct payments of amounts due thereunder to another account) shall be exercisable by the Security Trustee and notices under the Material Contract should be given to the Security Trustee or as it directs.

4. These instructions may not be revoked or amended without the prior written consent of the Security Trustee. We agree that you may comply with the terms of this notice without any further permission from us and without enquiry by you as to the justification for or validity of any request, notice or instruction.

5. Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to us) to confirm (by way of undertaking in favour of the Security Trustee) that:

- (a) you agree to the terms of this notice and to act in accordance with its provisions;

- (b) you have not and will not claim, exercise or enforce any right of set-off, counterclaim or similar right in respect of the Material Contract, without the prior written consent of the Security Trustee;
- (c) you have not received notice of the interest (of whatever nature) of any third party in the Material Contract or of the creation of any security, set-off, counterclaim or similar right in favour of any third party in the Material Contract;

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

7. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice (including a dispute relating to the existence, validity or termination of this notice or any non-contractual obligation arising out of or in connection with this notice) (a *Dispute*). Each party to this notice agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary. For such purposes, each party to this notice irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

Yours faithfully,

.....
for and on behalf of
the Chargor

.....
for and on behalf of
[•] as Security Trustee

[On acknowledgment copy]

To: [•] as Security Trustee
[Address]

Copy to: Chargor

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

.....
for and on behalf of
[Counterparty to relevant Material Contract]

Date: [•]

SIGNATORIES TO THE SECURITY AGREEMENT

EXECUTED as a **DEED** by

Robert William Evans

.....
(print name)

as attorney for or on behalf of **LIBERTY
ONESTEEL (PRIMARY) UK
LIMITED** in the presence of the specified
witness

Signed: 

Print name: Robert William Evans

Witness 

Signed:

*I confirm that the above named signatory has
executed this document in my presence*

Print name: Nicholas Blair Poole

Address: 

Security Trustee

EXECUTED as a **DEED** by
PAUL CATTERMOLE for and on
~~AUTHORISED SIGNATORY~~
behalf of **GLAS TRUST**
CORPORATION LIMITED in the
presence of the specified witness

Signed: ..

Print name:PAUL CATTERMOLE
AUTHORISED SIGNATORY
Authorised signatory

Witness -

Signed: ..

*I confirm that the above named
signatory has executed this
document in my presence*

Print name: *WENDY BRIGHT*

Address

Address: 55 Ludgate Hill, London EC4M 7JU, United Kingdom
Attention: DCM/Project Green
Fax: +44 (0)20 3070 0113
Telephone: +44 (0)20 3597 2940
Email: dcm@glas.agency