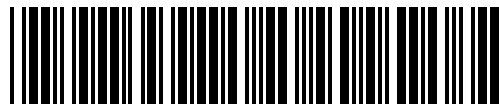




Registration of a Charge

Company Name: **SNIPER BAY LTD**

Company Number: **11691114**



XAXEFILE

Received for filing in Electronic Format on the: **08/02/2022**

Details of Charge

Date of creation: **04/02/2022**

Charge code: **1169 1114 0001**

Persons entitled: **AVCAP LUXEMBOURG ASSET HOLDING I S.A.R.L.**

Brief description: **INTELLECTUAL PROPERTY REGISTERED AT EUROPEAN UNION INTELLECTUAL PROPERTY OFFICE UNDER REGISTRATION NUMBER 008400543-0001 AND THOSE ASSETS LISTED IN SCHEDULE 1 OF THE INSTRUMENT. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) .

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:

ALLEN & OVERY LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11691114

Charge code: 1169 1114 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th February 2022 and created by SNIPER BAY LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th February 2022 .

Given at Companies House, Cardiff on 10th February 2022

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**

EXECUTION VERSION

DATED 4 February 2022

(1) SNIPER BAY LTD

and

(2) AVCAP LUXEMBOURG ASSET HOLDING I S.A.R.L. AS SECURITY AGENT

DEBENTURE

SHOOSMITHS

Platform
New Station Street
Leeds
LS1 4JB

Ref M-00976456

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SIGNATORIES2

THIS DEED is dated the 4th day of February 2022 and is made

BETWEEN:

- (1) **SNIPER BAY LTD**, a company incorporated in England and Wales (Registered number 11691114) whose registered office is at Oceana House, First Floor, 39-49 Commercial Road, Southampton, Hampshire, United Kingdom, SO15 1GA (**the "Chargor"**); and
- (2) **AVCAP LUXEMBOURG ASSET HOLDING I S.A.R.L.**, a company incorporated in Luxembourg (Registered number B260004) whose registered office is at 4 rue Peterelchen, L-2370 Howald, Grand Duchy of Luxembourg as security trustee for the Secured Parties (as defined in the Facility Agreement (defined below)) (**the "Security Agent"**).

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the Facility Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Account Bank" means a person with whom the Chargor maintains an account.

"Designated Account" means:

- (a) the accounts (if any) specified in Schedule 1 (*Specified Assets*) or the schedule to any Supplemental Debenture; and
- (b) any account from time to time substituted for or additional to any such account (including in each case such account as redesignated and/or renumbered from time to time).

"Designated Contract" means the contracts (if any) specified in Schedule 1 (*Specified Assets*) or the schedule to any Supplemental Debenture.

"Facility Agreement" means the facility agreement dated on or about the date of this Deed and made between (among others) the Chargor and the Security Agent.

"Insurances" means any contract of insurance required under Clause 6.2 (*Insurances*).

"Insurance Rights" has the meaning given to it in Clause 2.8 (*Insurances*).

"Investments" means:

- (a) the shares (if any) specified in Schedule 1 (*Specified Assets*) or the schedule to any Supplemental Debenture;

- (b) all other shares, stocks, debentures, bonds or other securities or investments owned by the Chargor or held by any nominee or trustee on its behalf; and
- (c) all Related Investment Rights and all Related Property Rights in respect thereof.

"LPA 1925" means the Law of Property Act 1925.

"Material SPA" means a sale and purchase agreement where Lender funds have been used to fund the acquisition.

"Mortgaged Property" means all freehold or long leasehold property included in the definition of Security Asset.

"Obligor" means the Chargor, the Borrower and each other Guarantor (as defined in, and party to, the Facility Agreement).

"Party" means a party to this Deed.

"Receiver" means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed.

"Related Investment Rights" means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Investment and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of Investments.

"Related Property Rights" means, where used in relation to a particular property, asset (or class of assets) or right, the following:

- (a) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);
- (b) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property, asset (or class of assets) or right; and
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Party under each Finance Document.

"Security Asset" means all of the assets of the Chargor which from time to time are, or are expressed to be, the subject any Security created by this Deed.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and the Lenders have no further commitment, obligation or liability to any Obligor.

"Specified Companies" means each subsidiary of the Chargor listed in schedule 1 (*Security Assets*) under **"Investments"**.

"Supplemental Debenture" means a document substantially in the form set out in Schedule 5 (*Form of Supplemental Debenture*).

1.2 Construction

1.2.1 Capitalised terms defined in the Facility Agreement have the same meaning in this Deed unless expressly defined in this Deed.

1.2.2 The provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.

1.2.3 Unless a contrary indication appears, a reference in this Deed to:

- a) **a "Finance Document" or any other agreement or instrument is a reference to** that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
- b) **"costs" includes all costs, fees, charges and expenses of any nature and** includes any Tax charged on any of them;
- c) **any "rights" in respect of an asset includes:**
 - i all amounts and proceeds paid or payable;
 - ii all rights to make any demand or claim; and
 - iii all powers, remedies, causes of action, security, guarantees and indemnities,

in each case in respect of or derived from that asset;
- d) **any "share", "stock", "debenture", "bond" or "other security" or "investment"** includes:
 - i any dividend, interest or other distribution paid or payable;
 - ii any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

in each case in respect of that share, stock, debenture, bond or other security or investment; and
- e) **"disposal" includes a sale, transfer, assignment, grant, lease, licence,** declaration of trust or other disposal, whether voluntary or involuntary, and **"dispose"** will be construed accordingly.

1.3 Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.

1.4 The terms of the other Finance Documents and of any other agreement or instrument between the Chargor and any Secured Party in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or long leasehold property contained in this Deed is a valid

disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

- 1.5 If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.6 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.
- 1.7 **Third party rights**
 - 1.7.1 Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Deed.
 - 1.7.2 Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
 - 1.7.3 Any Receiver or any delegate or sub-delegate of the Security Agent, a Lender or any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to Clause 1.7.2 above and the provisions of the Third Parties Act.

2 CREATION OF SECURITY

2.1 General

- 2.1.1 The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- 2.1.2 All the security created under this Deed:
 - a) is created in favour of the Security Agent;
 - b) is created over present and future assets of the Chargor;
 - c) is security for the payment of all the Secured Liabilities; and
 - d) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 2.1.3 The Security Agent holds the benefit of this Deed and the Security created by this Deed on trust for the Secured Parties.
- 2.1.4 If the rights of the Chargor under a document cannot be secured without the consent of a party to that document or satisfaction of some other condition:
 - a) the Chargor shall notify the Security Agent promptly;
 - b) any Security created by this Deed shall constitute security over all proceeds and other amounts which the Chargor may receive, or has received, under that document but exclude the Chargor's other rights under the document until the Chargor obtains the required consent or satisfies the relevant condition;

- c) unless the Security Agent otherwise requires, the Chargor shall use its reasonable endeavours to obtain the required consent or satisfy the relevant condition; and
- d) if the Chargor obtains the required consent or satisfies the relevant condition:
 - i the Chargor shall notify the Security Agent promptly; and
 - ii all of the Chargor's rights under the document shall immediately be secured in accordance with this Deed.

2.2 **Real property**

2.2.1 The Chargor charges:

- a) by way of a first legal mortgage all estates or interests in any freehold or long leasehold property now owned by it; this includes the real property (if any) specified in Schedule 1 (*Specified Assets*) or the schedule to any Supplemental Debenture; and
- b) (to the extent that they are not the subject of a mortgage under paragraph a) above) by way of a first fixed charge all estates or interests in any freehold or long leasehold property now or subsequently owned by it.

2.2.2 A reference in this Clause 2 to a mortgage or charge of any freehold or long leasehold property includes:

- a) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
- b) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 **Investments**

The Chargor charges by way of a first fixed charge its interest in all its Investments.

2.4 **Plant and machinery**

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (*Real property*), the Chargor charges:

- 2.4.1 by way of a first fixed charge, all plant and machinery (if any) specified in Schedule 1 (*Specified Assets*) or the schedule to any Supplemental Debenture and its interest in any such plant and machinery; and
- 2.4.2 (to the extent that they are not the subject of a fixed charge under paragraph 2.4.1 above) by way of a first fixed charge all plant and machinery owned by the Chargor and its interest in any plant or machinery in its possession.

2.5 **Credit balances**

- 2.5.1 The Chargor charges by way of a first fixed charge all of its rights in respect of any Designated Account, any amount standing to the credit of any Designated Account and the debt represented by it.

- 2.5.2 The Chargor charges by way of a first fixed charge all of its rights in respect of any account it has with any person other than the accounts referred to in Clause 2.5.1 above, any amount standing to the credit of any such account and the debt represented by it.

2.6 Intellectual Property

- 2.6.1 The Chargor charges by way of a first fixed charge all of its Intellectual Property specified in Schedule 1 (*Specified Assets*) or the schedule to any Supplemental Debenture.
- 2.6.2 The Chargor charges by way of a first fixed charge of all of all its Intellectual Property other than the Intellectual Property referred to in Clause 2.6.1 above.

2.7 Book debts etc.

The Chargor charges by way of a first fixed charge:

- 2.7.1 all of its book and other debts;
- 2.7.2 all other moneys due and owing to it; and
- 2.7.3 the benefit of all rights in relation to any item under Clauses 2.7.1 to 2.7.2 above.

2.8 Insurances

- 2.8.1 The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest but excluding any third party insurance (together, the **"Insurance Rights"**).
- 2.8.2 To the extent that they have not been effectively assigned under Clause 2.8.1 above, the Chargor charges by way of a first fixed charge all of its Insurance Rights.

2.9 Other contracts

- 2.9.1 The Chargor charges by way of a first fixed charge all of its right under each Material SPA.
- 2.9.2 The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
- a) under each Designated Contract (excluding any Material SPA); and
 - b) under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment.
- 2.9.3 To the extent that they have not been effectively assigned under Clause 2.9.2 above, the Chargor charges by way of a first fixed charge all of its rights listed under Clause 2.9.2 above.

2.10 Other assets

The Chargor charges by way of first fixed charge:

- 2.10.1 its goodwill;

- 2.10.2 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- 2.10.3 the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in Clause 2.10.2 above;
- 2.10.4 its uncalled capital; and
- 2.10.5 the benefit of all rights in relation to any item under Clauses 2.10.1 to 2.10.4 above.

2.11 **Floating charge**

- 2.11.1 The Chargor charges by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.
- 2.11.2 Except as provided below, the Security Agent may by notice to the Chargor convert the floating charge created by this Clause 2.11 (*Floating charge*) into a fixed charge as regards any of the Chargor's class of assets specified in that notice if:
 - a) an Event of Default is continuing;
 - b) the Security Agent considers those assets 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 Agent, acting reasonably, considers it necessary in order to protect the priority of the Security created by this Deed.
- 2.11.3 Subject to Clause 2.11.4 below, the floating charge created by this Clause 2.11 (*Floating charge*) may not be converted into a fixed charge solely by reason of:
 - a) the obtaining of a moratorium; or
 - b) anything done with a view to obtaining a moratorium,

under Part A1 of the Insolvency Act 1986.
- 2.11.4 Paragraph 2.11.3 above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- 2.11.5 The floating charge created by this Clause 2.11 (*Floating charge*) will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of the Chargor's assets (including those subsequently acquired by the Chargor) if:
 - a) an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator;
 - b) any steps are taken for any of the Security Assets to become subject to any Security in favour of any other person;
 - c) any person levies or attempts to levy any distress, execution or other process or exercises any enforcement power against any of the Security Assets; or

- d) a resolution is passed or an order is made for the winding-up, dissolution or re-organisation of or any steps are taken for the appointment of an administrator in respect of the Chargor.

2.11.6 The floating charge created by this Clause 2.11 (*Floating charge*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3 NEGATIVE PLEDGE AND DISPOSAL RESTRICTION

3.1 Security

Except as expressly allowed under the Facility Agreement or this Deed the Chargor must not create or permit to subsist any Security on any Security Asset.

3.2 Disposals

Except as expressly allowed under the Facility Agreement or this Deed, the Chargor must not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

4 PERFECTION OF SECURITY

4.1 Real Property

4.1.1 Acquisitions

If the Chargor acquires any freehold or long leasehold property in England and Wales in accordance with the Facility Agreement after the date of this Deed it must:

- a) notify the Security Agent promptly upon doing so;
- b) at the cost of the Chargor, promptly execute and deliver to the Security Agent a Supplemental Debenture creating a legal mortgage over that property in favour of the Security Agent; and
- c)
 - i if the title to that freehold or long leasehold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Security created by this Deed and any Supplemental Debenture; and
 - ii if applicable, ensure that the Security created by this Deed and any Supplemental Debenture is correctly noted against that title in the title register at the Land Registry.

4.1.2 Land Registry

- a) The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [SECURITY AGENT] referred to in the charges register or their conveyancer. (Standard Form P)".

- b) The Chargor consents to an application being made to the Chief Land Registrar to enter a note on the Register of Title relating to any Mortgaged Property registered at the Land Registry that there is an obligation to make further advances on the security of this Deed.

4.1.3 **Deposit of title deeds**

The Chargor shall promptly:

- a) deposit with the Security Agent all deeds and documents necessary to show **good and marketable title to any Mortgaged Property (the "Title Documents")**;
- b) procure that the Title Documents are held at the applicable Land Registry to the order of the Security Agent; or
- c) procure that the Title Documents are held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose.

4.2 **Investments**

4.2.1 The Chargor must immediately on the date of this Deed:

- a) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to its Investments; and
- b) execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments.

4.2.2 The Security Agent is entitled to hold all certificates and other documents of title or evidence of ownership in relation to the Investments throughout the Security Period.

4.2.3 As soon as reasonably practicable, upon the accrual, offer or issue to the Chargor of any Investments in the form of stocks, shares, warrants or other securities, the Chargor must procure the delivery to the Security Agent of:

- a) all certificates and other documents of title or evidence of ownership in relation to such Investments; and
- b) all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments.

4.3 **Credit balances**

The Chargor must:

4.3.1 promptly following the date of this Deed (but in any event within 3 Business Days) serve a notice of charge, substantially in the form of Part 1 of Schedule 2 (*Forms of Letter for Account Bank*), on each Account Bank at which a Designated Account and use reasonable endeavours to ensure that the Account Bank acknowledges the notice; and

4.3.2 promptly (but in any event within 3 Business Days) upon the opening of any Designated Account, and promptly in relation to any other account, serve a notice of charge,

substantially in the form of Part 1 of Schedule 2 (*Forms of Letter for Account Bank*), on the Account Bank at which the account is held and use reasonable endeavours to ensure that the Account Bank acknowledges the notice.

4.4 **Intellectual Property**

At any time following the occurrence of an Event of Default which is continuing, the Chargor as registered proprietor appoints the Security Agent as its agent to apply for the particulars of this Deed and the interest of the Security Agent in the Intellectual Property and any other or future trade marks or trade mark applications registered or to be registered in the United Kingdom in the name of the Chargor, to be made on the Register of Trade Marks under section 25(1) of the Trade Marks Act 1994. The Chargor agrees to execute all documents and forms reasonably required to enable such particulars to be entered on the Register of Trade Marks.

4.5 **Insurances**

4.5.1 **Notice**

The Chargor must:

- a) promptly following the date of this Deed (but in any event within 3 Business Days), and promptly (but in any event within 3 Business Days) upon effecting any Insurance, serve a notice of assignment, substantially in the form of Part 1 of Schedule 3 (*Forms of Letter for Insurers*), on each counterparty to an Insurance; and
- b) use reasonable endeavours to ensure that such counterparty acknowledges that notice.

4.5.2 **Deposit of contracts and policies**

The Chargor must promptly deposit with the Security Agent copies of all contracts and policies of insurance which it is entitled to possess in relation to the Insurance Rights.

4.6 **Other contracts**

The Chargor shall promptly:

- 4.6.1 serve a notice of assignment or charge (as applicable), substantially in the form of Part 1 of Schedule 4 (*Forms of Letter for Other Contracts*), on each counterparty to a contract listed in Clause 2.9 (*Other contracts*); and
- 4.6.2 use reasonable endeavours to ensure that each such party acknowledges that notice.

5 **REPRESENTATIONS**

5.1 **General**

The Chargor makes the representations and warranties set out in this Clause 5 to the Security Agent on the date of this Deed and on each day during the Security Period by reference to the facts and circumstances then existing.

5.2 **Binding obligations**

Subject to the Legal Reservations and the Perfection Requirements:

- 5.2.1 the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations; and
- 5.2.2 this Deed creates the Security which it purports to create and that Security is valid and effective.

5.3 **Legal and beneficial ownership**

It is the sole legal and beneficial owner of the Security Assets free from Security (other than those created by or pursuant to this Deed or as permitted under the Facility Agreement).

5.4 **Investments**

- 5.4.1 **Each Specified Company's entire issued share capital is legally and beneficially owned** and controlled by the Chargor.
- 5.4.2 The Investments are fully paid and not subject to any option to purchase or similar rights.
- 5.4.3 The constitutional documents of the issuers of the Investments do not and could not restrict or inhibit any transfer of the Investments on creation or enforcement of the Security created or expressed to be created by this Deed.
- 5.4.4 It has complied with all notices received by it pursuant to Part 21A of the Companies Act 2006 in relation to the Investments.
- 5.4.5 **No "warning notice" or "restrictions notice" (in each case as defined in Schedule 1B of the Companies Act 2006) has been issued in respect of the Investments.**
- 5.4.6 No nominations have been made in respect of any Investments.

5.5 **Designated Contracts**

- 5.5.1 No amount payable to it under a Designated Contract is subject to any right of set-off or similar right;
- 5.5.2 Each Designated Contract is its legal, valid, binding and enforceable obligation;
- 5.5.3 It is not in default of any of its obligations under any Designated Contract;
- 5.5.4 There is no prohibition on assignment in, or other restriction on the creation of security by the Chargor over, any Designated Contract;
- 5.5.5 Its entry into and performance of this Deed will not conflict with any term of any Designated Contract; and
- 5.5.6 Its rights in respect of each Designated Contract are free of any other rights or interests in favour of third parties.

6 **GENERAL UNDERTAKINGS**

The undertakings in this Clause 6 remain in force throughout the Security Period.

6.1 **Information**

The Chargor shall promptly supply to the Security Agent such information as the Security Agent may reasonably require about the Security Assets.

6.2 Insurances

6.2.1 The Chargor must ensure that at all times Insurances are maintained in full force and effect which insure it in respect of its interests in the Security Assets with such insurance companies or underwriters and to such extent and for such risks as is usual for prudent companies carrying on the same or substantially similar business to the Chargor (or as otherwise notified by the Security Agent from time to time).

6.2.2 The Chargor must procure that the Security Agent is named as composite insured in respect of its own separate insurable interest under each of the Insurances (other than public liability and third party liability insurances), or, at the option of the Security Agent, that the interest of the Security Agent is noted on each of the Insurances.

6.2.3 The Chargor must as soon as reasonably practicable notify the Security Agent of:

- a) any amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurances made or, to its knowledge, threatened or pending;
- b) any claim, and any actual or threatened refusal of any claim, under any of the Insurances to the extent that claim is in excess of £10,000; and
- c) any event or circumstance which has led to a breach by the Chargor of any term of this Clause 6.2.

6.2.4 The Chargor must:

- a) comply with the terms of the Insurances;
- b) not knowingly do or permit anything to be done which may make void or voidable any of the Insurances; and
- c) comply with reasonable risk improvement requirements of its insurers.

6.2.5 The Chargor must ensure that:

- a) each premium for the Insurances is paid within the period permitted for payment of that premium; and
- b) all other things necessary are done so as to keep each of the Insurances in force.

6.2.6

- a) Except as provided below, at any time following the occurrence of an Event of Default which is continuing the proceeds of any Insurances must, if the Security Agent so requires, be paid into a Designated Account specified by the Security Agent. Any such moneys standing to the credit of a Designated Account may be applied by the Security Agent in payment of any amount due but unpaid to a Secured Party under this Deed.

- b) Moneys received under liability policies held by the Chargor which are required by the Chargor to satisfy established liabilities of the Chargor to third parties must be used to satisfy those liabilities.

6.3 Investments

6.3.1 Control of the Specified Companies

The Chargor must ensure that at all times it legally and beneficially owns and controls the entire issued share capital of each Specified Company.

6.3.2 Calls and other obligations

- a) The Chargor must pay all calls or other payments due and payable in respect of any of its Investments in accordance with the Facility Agreement. If the Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any of its Investments on behalf of the Chargor. The Chargor must promptly on written request reimburse the Security Agent for any payment reasonably and properly made by the Security Agent under this Clause 6.3.2a) (*Calls and other obligations*).
- b) The Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- c) The Security Agent is not obliged to:
 - i perform any obligation of the Chargor;
 - ii make any payment;
 - iii make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
 - iv present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any of its Investments.

6.3.3 Rights in respect of Investments

- a) The Chargor must promptly procure all consents, waivers and approvals which are necessary, under the articles of association of an issuer of any Investment or otherwise, for the transfer of the Investments to the Security Agent or its nominee or to a transferee upon the enforcement of this Deed and to procure the amendment of the share transfer provisions of the articles of association of any issuer of any Investment in such manner as the Security Agent may reasonably require in order to permit such a transfer.
- b) The Chargor must not at any time during the Security Period exercise any right to nominate any person other than a Secured Party to enjoy or exercise any right relating to the Investments.
- c) The Chargor must not without the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed) take or approve any action to amend, vary, novate, supplement, supersede, waive or terminate the articles of association of an issuer of any Investment.

- d) The Chargor must not take nor knowingly allow the taking of any action on its behalf which may result in the rights attaching to, or conferred by, all or any of the Investments being altered nor cause or permit any of the Investments to be consolidated, sub-divided, converted, re-organised, exchanged or repaid nor allow any further shares in the issuer of any Investment to be issued.

6.3.4 Requests for information

- a) The Chargor must, within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 in relation to the Investments and as soon as reasonably practicable provide the Security Agent with a copy of that notice.
- b) The Chargor must as soon as reasonably practicable send a copy to the Security Agent of, and comply with all other requests for, information which is within its knowledge and which are made under any law or regulation or any similar provision contained in any articles of association or other constitutional document, or by any listing or other authority, relating to any of its Investments. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of the Chargor.

6.3.5 Voting rights and dividends

- a) Before any Security created by this Deed becomes enforceable:
 - i the voting rights, powers and other rights in respect of its Investments will be exercised:
 - (A) by the Chargor provided that it must not do so in a manner which is prejudicial to the interests of the Security Agent under this Deed; or
 - (B) if exercisable by the Security Agent, in any manner which the Chargor may direct the Security Agent in writing; and
 - ii all dividends, distributions or other income paid or payable in relation to any of its Investments may be paid directly to the Chargor. If any dividends, distributions or other income paid on or derived from the Investments are paid or payable to the Security Agent or its nominees, the Security Agent or its nominees (as the case may be) must hold such dividends, distributions and other income for the Chargor and pay them to the Chargor promptly on request.
- b) The Security Agent will not, by following any directions of the Chargor under Clause 6.3.5a)i(B) above, be construed to consent to any exercise or failure to exercise which is prejudicial to the interests of the Security Agent under this Deed.
- c) After any Security created by this Deed has become enforceable:
 - i the voting rights, powers and other rights in respect of its Investments:
 - (A) may be exercised by the Security Agent (in the name of the Chargor and without any further consent or authority on the part of the Chargor); and

- (B) if exercisable by the Chargor, must be exercised in any manner which the Security Agent may direct the Chargor and the Chargor must procure that its nominees (if any) comply with any such directions from the Security Agent;
- ii if any Investments remain registered in the name of the Chargor, the Chargor irrevocably appoints the Security Agent as its proxy to exercise the voting rights and other rights or powers in respect of any of its Investments; and
 - iii the Chargor must hold all dividends, distributions or other income paid or payable in relation to any of its Investments on trust for the Security Agent and pay the same promptly upon receipt to the Security Agent or as it may direct.
- d) The Chargor shall indemnify the Security Agent against any cost, loss or liability incurred by the Security Agent as a consequence of the Security Agent acting (or refraining from acting) in respect of any Investments as permitted by this Deed on the direction of the Chargor.

6.4 **Plant and Machinery**

The Chargor must:

- 6.4.1 promptly following the occurrence of an Event of Default, affix to any plant and machinery subject to this Deed which is of market value £5,000 or higher per asset, a durable notice of this Deed in such form and location as the Security Agent may require (provided the asset in question is capable of having a notice attached to it). The Chargor must not, and must not permit any person to, conceal, obscure, alter or remove any such notice;
- 6.4.2 not make any material alterations or additions to any plant and machinery on each Mortgaged Property which are reasonably likely to depreciate, jeopardise or materially prejudice their value or marketability; and
- 6.4.3 not except with the prior written consent of the Security Agent remove any plant and machinery from the Mortgaged Property except for the purpose of maintenance pursuant to the terms of this Deed;

6.5 **Credit balances, book debts and receipts**

- 6.5.1 The Chargor must get in and realise its book and other debts and other moneys due and owing to it in the ordinary course of its business and, at any time following the occurrence of an Event of Default which is continuing, hold the proceeds of the getting in and realisation (until payment into a Designated Account if required in accordance with paragraph 6.5.2 below) on trust for the Security Agent .
- 6.5.2 The Chargor must, except to the extent that the Security Agent otherwise agrees, pay all the proceeds of the getting in and realisation into a Designated Account in accordance with the Facility Agreement.

6.6 **Intellectual property rights**

- 6.6.1 The Chargor must:

- a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business;
- b) use reasonable endeavours to prevent any infringement in any material respect of its Intellectual Property;
- c) make registrations and pay all registration fees and taxes necessary to maintain its Intellectual Property in full force and effect and record its interest in those Intellectual Property;
- d) not use or knowingly permit its Intellectual Property to be used in a way or take any step or omit to take any step in respect of its Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil its right to use such property; and
- e) not discontinue the use of its Intellectual Property necessary for its business.

6.7 **Designated Contracts**

The Chargor must:

- 6.7.1 duly perform its obligations under each Designated Contract, notify the Security Agent of any material default by it or any other party under any Designated Contract and not take any action which would reduce or impede recoveries in respect of any Designated Contract;
- 6.7.2 supply the Security Agent with copies of each Designated Contract;
- 6.7.3 not, without the prior written consent of the Security Agent, amend or waive any term of, terminate or release any other party from its obligations under any Designated Contract;
- 6.7.4 diligently pursue its rights under each Designated Contract (unless the Security Agent agrees otherwise in writing); and
- 6.7.5 provide to the Security Agent, as soon as practicable upon receipt, copies of all notices which it may from time to time receive from any other party to any Designated Contract.

6.8 **Goodwill**

The Chargor must not grant any franchise, licence or other authority to any person to use its company name, trade name or business name or any other business asset in a manner which will materially and adversely affect the value of the goodwill of the Chargor.

6.9 **Uncalled capital**

The Chargor must:

- 6.9.1 not call up, or receive in advance of its due date, any uncalled capital;
- 6.9.2 as soon as reasonably practicable apply any paid capital towards the repayment, in full or in part, of the Secured Liabilities.

6.10 **Preservation of assets**

The Chargor must not do, cause or knowingly permit to be done or omit to do anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Security Assets.

6.11 **Enforcement of rights**

The Chargor must take reasonable and practical steps to preserve and enforce its rights and pursue any material claims and remedies arising under any agreement relating to the Security Assets.

6.12 **Ranking of security**

The Chargor must ensure that at all times any unsecured and unsubordinated claims of the Secured Parties against it under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

6.13 **Access**

If an Event of Default is continuing, the Chargor must permit the Security Agent and/or its delegates access at reasonable times and on reasonable notice at the risk and cost of the Chargor to the premises (including, without limitation, any Mortgaged Property), assets, books, accounts and records of the Chargor.

7 PROPERTY UNDERTAKINGS

The undertakings in this Clause 7 remain in force throughout the Security Period.

7.1 **Title**

7.1.1 The Chargor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.

7.1.2 The Chargor may not agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.

7.1.3 The Chargor must as soon as reasonably practicable take all such steps as may be necessary to enable the Security created by this Deed to be registered, where appropriate, at the applicable Land Registry.

7.2 **Maintenance**

The Chargor must ensure that all buildings, plant, machinery, fixtures and fittings on each Mortgaged Property are in, and maintained in:

- a) good and substantial repair and condition and, as appropriate, in good working order; and
- b) such repair, condition and, as appropriate, good working order as to enable them to be let in accordance with all applicable laws and regulations. For this purpose, a law or regulation shall be regarded as applicable if it is either:
 - i in force; or

- ii expected to come into force and a prudent property owner in the same business as the Chargor would ensure that its buildings, plant, machinery, fixtures and fittings were in such condition, repair and order in anticipation of that law or regulation coming into force.

7.3 **Compliance with leases**

The Chargor shall:

- a) exercise its rights and comply with its obligations under each lease comprised in the Mortgaged Property in a proper and timely manner; and
- b) not do or allow to be done any act as a result of which any lease comprised in the Mortgaged Property may become liable to forfeiture or otherwise be terminated.

7.4 **Notices**

The Chargor shall, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public, local or other authority with respect to the Mortgaged Property (or any part of it):

- a) deliver a copy to the Security Agent; and
- b) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice.

7.5 **Leases**

The Chargor shall not grant or agree to grant (whether in exercise of any statutory power or otherwise) any lease or tenancy of the Mortgaged Property or any part of it or accept a surrender of any lease or tenancy or confer upon any person any contractual licence or right to occupy the Mortgaged Property.

7.6 **Access**

The Chargor shall permit (not more than once in every calendar quarter unless the Security Agent reasonably suspects an Event of Default is continuing or may occur) the Security Agent and any person nominated by it at all reasonable times and on reasonable notice to enter any part of the Mortgaged Property and view the state of it.

8 WHEN SECURITY BECOMES ENFORCEABLE

8.1 **Event of Default**

The Security created by this Deed will become immediately enforceable if an Event of Default occurs and is continuing.

8.2 **Discretion**

After any Security created by this Deed has become enforceable, the Security Agent may enforce all or any part of any Security created by this Deed in any manner it sees fit or as instructed in accordance with the Facility Agreement.

8.3 **Statutory powers**

The power of sale and other powers conferred by section 101 of the LPA 1925, as amended by this Deed, will be immediately exercisable at any time after any Security created by this Deed has become enforceable.

8.4 **Investigations**

Following the occurrence of an Event of Default, the Security Agent may initiate an investigation of, and/or instruct any report (accounting, legal, valuation or other) on the business and affairs of the Chargor which it considers necessary to ascertain the financial position of the Chargor. All fees and expenses incurred by the Security Agent in connection with such investigations shall be payable by the Chargor and the Chargor consents to the provision by the Security Agent of all information in relation to the Chargor which the Security Agent provides to any person in relation to the preparation of any such report.

8.5 **Power to remedy**

If at any time the Chargor does not comply with any of its obligations under this Deed, the Security Agent may (but shall not be obliged to) rectify such default and the Chargor irrevocably authorises the Security Agent, its employees and agents, at the Chargor's expense, to do all such things as are necessary or desirable to rectify such default.

9 **ENFORCEMENT OF SECURITY**

9.1 **General**

9.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

9.1.2 Section 103 of the LPA 1925 (restricting the power of sale) and section 93 of the LPA 1925 (restricting the right of consolidation) do not apply to any Security created by this Deed.

9.1.3 The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the LPA 1925.

9.2 **No liability as mortgagee in possession**

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

9.3 **Privileges**

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers duly appointed under the LPA 1925, except that section 103 of the LPA 1925 does not apply.

9.4 **Protection of third parties**

No person (including a purchaser) dealing with a Secured Party or its or his/her agents will be concerned to enquire:

9.4.1 whether the Secured Liabilities have become payable;

- 9.4.2 whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- 9.4.3 whether any money remains due under the Finance Documents; or
- 9.4.4 how any money paid to the Security Agent or to that Receiver is to be applied.

9.5 **Redemption of prior mortgages**

- 9.5.1 At any time after any Security created by this Deed has become enforceable, the Security Agent may:
 - a) redeem any prior Security against any Security Asset; and/or
 - b) procure the transfer of that Security to itself; and/or
 - c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- 9.5.2 The Chargor must pay to the Security Agent, promptly on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

9.6 **Contingencies**

If any Security created by this Deed is enforced at a time when no amount is due under the Finance Documents (or the proceeds of any recoveries exceed the amount then due under the Finance Documents) at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

9.7 **Financial collateral**

- 9.7.1 To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Security Agent will have the right after any Security created by this Deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- 9.7.2 Where any financial collateral is appropriated:
 - a) if it is cash, its value will be the amount standing to the credit of the relevant account on the date of appropriation plus any accrued but uncredited interest;
 - b) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
 - c) in any other case, its value will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent adviser, investment bank or accountancy firm of national standing selected by it,

and each Finance Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

10 RECEIVER

10.1 Appointment of Receiver

10.1.1 Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:

- a) any Security created by this Deed has become enforceable; or
- b) the Chargor so requests to the Security Agent at any time.

10.1.2 Any appointment under paragraph 10.1.1 above may be by deed, under seal or in writing under its hand.

10.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA 1925) does not apply to this Deed.

10.1.4 The Security Agent 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 Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

10.1.5 The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

10.1.6 The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Security Agent under the Insolvency Act 1986, the LPA 1925 or otherwise.

10.2 Removal

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

10.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the LPA 1925 will not apply.

10.4 Agent of the Chargor

10.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925. The Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

10.4.2 No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10.5 **Relationship with Security Agent**

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after any Security created by this Deed becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

11 **POWERS OF RECEIVER**

11.1 **General**

11.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 11 in addition to those conferred on it by any law. This includes:

- a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925 and the Insolvency Act 1986.

11.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

11.2 **Possession**

A Receiver may take immediate possession of, get in and realise any Security Asset.

11.3 **Carry on business**

A Receiver may carry on any business of the Chargor in any manner he/she thinks fit.

11.4 **Employees**

11.4.1 A Receiver may appoint and discharge 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 thinks fit.

11.4.2 A Receiver may discharge any person appointed by the Chargor.

11.5 **Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to any Security created by this Deed or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

11.6 **Sale of assets**

11.6.1 A Receiver may 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 thinks fit.

11.6.2 The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

11.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

11.7 **Leases**

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

11.8 **Compromise**

A Receiver may 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 the Chargor or relating in any way to any Security Asset.

11.9 **Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

11.10 **Receipts**

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

11.11 **Subsidiaries**

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

11.12 **Delegation**

A Receiver may delegate his/her powers in accordance with this Deed.

11.13 **Lending**

A Receiver may lend money or advance credit to any person.

11.14 **Protection of assets**

A Receiver may:

11.14.1 effect any repair or 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;

11.14.2 commence and/or complete any building operation; and

11.14.3 apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

11.15 **Exercise of rights**

A Receiver may exercise all powers, rights and/or obligations under any contract or agreement forming part of the Security Assets, including, without limitation, all voting and other rights attaching to the Investments.

11.16 **Other powers**

A Receiver may:

11.16.1 do all other acts and things which he/she may consider necessary or desirable 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;

11.16.2 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; and

11.16.3 use the name of the Chargor for any of the above purposes.

12 **APPLICATION OF PROCEEDS**

12.1 **Order of application**

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of any Security created by this Deed will be held by the Security Agent on trust and applied in accordance with Clause 28.1 (*Order of application*) of the Facility Agreement. This Clause 12:

- a) is subject to the payment of any claims having priority over any Security created by this Deed; and
- b) does not prejudice the right of any Secured Party to recover any shortfall from the Chargor.

12.2 **Prospective liabilities**

After the Agent exercises any of its rights under Clause 22.16 (*Acceleration*) of the Facility Agreement, the Security Agent may, in its discretion, hold any amount of the Recoveries (as such term is defined in the Facility Agreement) in connection with this Deed in one or more interest-bearing suspense or impersonal accounts in the name of the Security Agent with such financial institution (including itself or any other Finance Party) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) for later application under Clause 28.1 (*Order of application*) of the Facility Agreement in respect of:

- a) any sum to the Security Agent, any Receiver or any Delegate; and
- b) any part of the obligations and liabilities secured by this Deed,

that the Security Agent reasonably considers, in each case, might become due or owing at any time in the future.

12.3 **Investment of proceeds**

Except as otherwise provided in this Deed, the Security Agent may:

- a) invest any Recoveries in connection with this Deed in the name of, or under the control of, the Security Agent in any investment for the time being authorised by English law for the investment by trustees of trust money or in any other investments which may be selected by the Security Agent with the consent of the Majority Lenders; or
- b) place any Recoveries in connection with this Deed on deposit in the name of, or under the control of, the Security Agent at any bank or institution (including itself or any other Finance Party) and on such terms as the Security Agent may agree.

12.4 **Permitted deductions**

The Security Agent shall be entitled, in its discretion:

- a) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any law or regulation to make from any distribution or payment made by it under the Facility Agreement; and
- b) to pay all Taxes which may be assessed against it in respect of any of the Security Assets under this Deed, or as a consequence of performing its duties or exercising its rights, powers, authorities and discretions, or by virtue of its capacity as Security Agent under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under the Facility Agreement).

12.5 **Good discharge**

- a) Any distribution or payment to be made in respect of the obligations and liabilities secured by this Deed by the Security Agent may be made to the Agent on behalf of the Finance Parties.
- b) Any distribution or payment made as described in paragraph (a) above shall be a good discharge, to the extent of that distribution or payment, by the Security Agent.
- c) The Security Agent is under no obligation to make the payments to the Agent under paragraph (a) above in the same currency as that in which the obligations and liabilities owing to the relevant Finance Party are denominated pursuant to the relevant Finance Document.

12.6 **Actual receipts**

Only money actually paid by the Receiver to the Security Agent shall be capable of being applied in or towards the satisfaction of the Secured Liabilities and the Chargor shall have no rights in respect of the application by the Security Agent of any sums received, recovered or realised by the Security Agent under this Deed.

12.7 **Currency**

- 12.7.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Agent may convert any moneys received or recovered by it from one currency to another, at a market rate of exchange.
- 12.7.2 The obligations of the Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

13 EXPENSES AND INDEMNITY

The Chargor must:

- 13.1.1 promptly on demand pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- 13.1.2 keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

14 DELEGATION**14.1 Power of attorney**

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

14.2 Terms

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

14.3 Liability

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

15 FURTHER ASSURANCES

15.1.1 The Chargor must as soon as reasonably practicable, at its own expense, take whatever action the Security Agent or a Receiver may require for:

- a) creating, perfecting or protecting any security over any Security Asset; or
- b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.

15.1.2 The action that may be required under paragraph 15.1.1 above includes:

- a) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset (including without limitation a Supplemental Debenture), whether to the Security Agent or to its nominees; or
- b) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may consider necessary or desirable.

16 POWER OF ATTORNEY

At any time following the occurrence of an Event of Default which is continuing, the Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 16.

17 PRESERVATION OF SECURITY

17.1 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, the liability of the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

17.2 Continuing Security

The Security created by this Deed is a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

17.3 Tacking

Each Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

17.4 Additional security

17.4.1 This Deed is in addition to and is not in any way prejudiced by any other Security or guarantee now or subsequently held by any Finance Party.

17.4.2 No prior Security held by a Finance Party (in its capacity as such or otherwise) over any Security Asset will merge into the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed.

17.5 Waiver of defences

The obligations of the Chargor under this Deed will not be affected by any act, omission or thing which, but for this Clause 17, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it or any Finance Party). This includes (without limitation):

17.5.1 any time or waiver granted to, or composition with, any person;

17.5.2 the release of any person under the terms of any composition or arrangement with any creditor;

- 17.5.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or Security over assets of, any person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 17.5.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- 17.5.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or Security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or any other document or Security;
- 17.5.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or
- 17.5.7 any insolvency or similar proceedings.

17.6 **Chargor intent**

Without prejudice to the generality of Clause 17.5 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed 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 facility or amount made available under any of the Finance Documents.

17.7 **Immediate recourse**

The Chargor waives any right it may have of first requiring the Security Agent (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 the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

17.8 **Deferral of rights**

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

- 17.8.1 to be indemnified by an Obligor;
- 17.8.2 to claim any contribution from any person who has provided security or a guarantee in respect of any Obligor's obligations under the Finance Documents;
- 17.8.3 to 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 other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- 17.8.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a

guarantee, undertaking or indemnity under this Deed or otherwise in relation to the Secured Liabilities;

17.8.5 to exercise any right of set-off against any Obligor; and/or

17.8.6 to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable the Secured Liabilities and all other amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall as soon as reasonably practicable pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with this Deed.

17.9 **New accounts**

17.9.1 If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the Chargor.

17.9.2 If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

17.9.3 As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

18 **CHANGES TO THE PARTIES**

18.1 **Assignment and transfers by the Security Agent**

18.1.1 Subject to the consent of the Parent (not to be unreasonably withheld and deemed provided if no response is provided to a request within 10 Business Days or receipt of a request from the Security Agent), any Finance Party may assign any of its rights or transfer by novation any of its rights and obligations under this Deed.

18.1.2 The Security Agent shall be entitled to disclose such information concerning the Chargor and this Deed as the Security Agent considers appropriate to any actual or proposed direct or indirect successor and to any person to whom information may be required to be disclosed by any applicable law or regulation.

18.2 **Assignment and transfers by the Chargor**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

19 **MISCELLANEOUS**

19.1 **No deductions and tax gross-up**

19.1.1 All payments to be made by the Chargor under this Deed shall be made in freely available funds and in sterling and shall be calculated and be made without (and free and clear of any deduction for) set-off, counterclaim or deduction on account of Tax.

19.1.2 If a Tax deduction is required by law to be made by the Chargor, the amount of the payment due from the Chargor shall be increased to an amount which (after making

any Tax deduction) leaves an amount equal to the payment which would have been due if no Tax deduction had been required.

19.2 **Perpetuity period**

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of 125 years from the date of this Deed.

19.3 **No liability**

19.3.1 None of the Security Agent, its delegate(s) nominee(s) or any Receiver or its delegate(s) shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Security Assets or (c) taking possession of or realising all or any part of the Security Assets, except in the case of gross negligence or wilful default upon its part.

19.3.2 The Security Agent will not be required in any manner to perform or fulfil any obligation of the Chargor, make any payment, make any enquiry as to the nature or sufficiency of any payment received by it or present or file any claim or take any action to collect or enforce the payment of any amount.

19.3.3 The Security Agent shall not be liable either to the Chargor or to any other person by reason of the appointment of a Receiver or delegate or for any other reason.

19.3.4 Neither the Security Agent nor the Receiver or any of their respective delegates will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

19.4 **Time deposits**

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account the Chargor has with any Secured Party within the Security Period when:

19.4.1 any Security created by this Deed has become enforceable; and

19.4.2 no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

19.5 **Notice to Chargor**

This Deed constitutes notice in writing to the Chargor of any charge or assignment by way of security that may at any time be created or made under any Transaction Security Document by any member of the Group in respect of any obligation or liability under any agreement, instrument or other document to which that member of the Group is a party.

19.6 **Release of Chargor's rights**

If the shares in an Obligor are disposed of as a result of enforcement of this Security, the Chargor irrevocably authorises the Security Agent (on behalf of the Chargor and without requiring any authority or consent from any Obligor) to release (in whole or in part) that Obligor (and any Subsidiary of that Obligor) from the liabilities and obligations (present and future, actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) it may have to the Chargor under or in connection with the Finance Documents as a result of

the Chargor being a guarantor or security provider (including, without limitation, any liabilities and obligations arising by way of indemnity, contribution or subrogation).

20 RELEASE

At the end of the Security Period, the Security Agent must, at the request and cost of the Chargor, take whatever action is necessary to release the Security Assets from any Security created by this Deed.

21 PARTIAL INVALIDITY

If any part of the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of Security created or expressed to be created in favour of the Security Agent pursuant to this Deed.

22 AMENDMENTS

No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each Party (or its authorised representative).

23 NOTICES

Any communication to be made under or in connection with this Deed shall be made in accordance with the provisions of Clause 32 (*Notices*) of the Facility Agreement.

24 GOVERNING LAW

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

25 JURISDICTION

- 25.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 25.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 25.3 Notwithstanding Clause 25.1 above, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been signed on behalf of the Security Agent and **EXECUTED AS A DEED** by the Chargor and is delivered by them on the date specified at the beginning of this Deed.

**SCHEDULE 1
SPECIFIED ASSETS**

REAL PROPERTY

Intentionally left blank.

INVESTMENTS

Intentionally left blank.

PLANT AND MACHINERY

Intentionally left blank.

ACCOUNTS

Account number/IBAN	Sort code	Account name	Bank
██████8769	23-14-70	Sniper Bay Ltd	Wise
██████████████7830	N/A	Sniper Bay Ltd	Wise
██████████████2288	N/A	Sniper Bay Ltd	Wise
██████8231	40-27-07	Sniper Bay Ltd	HSBC

INTELLECTUAL PROPERTY

The designs registered in the name of the Chargor with the European Union Intellectual Property Office under the following registration numbers:

- (1) 008400543-0001;
- (2) 008400543-0002;
- (3) 008400543-0003;
- (4) 008400543-0004; and
- (5) 008400543-0005.

DESIGNATED CONTRACTS

Intentionally left blank.

**SCHEDULE 2
FORMS OF LETTER FOR ACCOUNT BANK**

**PART 1
NOTICE TO ACCOUNT BANK**

To: [Account Bank]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

**Debenture dated [●] between [Chargor]
and [Security Agent] (the "Debenture")**

- 1 This letter constitutes notice to you that under the Debenture we have charged (by way of a first fixed charge) in favour of [Security Agent] (as trustee for the Secured Parties as referred **to in the Debenture, the "Security Agent"**) all our rights in respect of any account, and any amount standing to the credit of any account, maintained by us with you (the **"Accounts"**).
- 2 In the event that the Security Agent has notified you in writing that an Event of Default has occurred under the Debenture, we irrevocably instruct and authorise you to:
 - a) disclose to the Security Agent any information relating to any Account requested from you by the Security Agent;
 - b) comply with the terms of any written notice or instruction relating to any Account received by you from the Security Agent in writing;
 - c) hold all sums standing to the credit of any Account to the order of the Security Agent; and
 - d) [in respect of any Account other than our account numbered [●], sort code [●]) (the **"Excluded Account"**),] **pay or release any sum standing to** the credit of any [such] Account in accordance with the written instructions of the Security Agent.
- 3 Following the occurrence of an Event of Default, we are not permitted to withdraw any amount from any Account [other than the Excluded Account] without the prior written consent of the Security Agent.
- 4 [In respect of the Excluded Account, we are permitted to withdraw any amount from the Excluded Account for any purpose unless and until you receive a notice from the Security Agent to the contrary stating that we are no longer permitted to withdraw any amount from the Excluded Account without its consent. If and from the date on which you receive any such notice, we will not be permitted to withdraw any amount from the Excluded Account without the prior written consent of the Security Agent.]
- 5 We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you.
- 6 The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.
- 7 This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 8 Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....
(Authorised Signatory)
[Chargor]

PART 2
ACKNOWLEDGEMENT OF ACCOUNT BANK

To: [Security Agent] (as Security Agent)

Copy: [Chargor]

[Date]

Dear Sirs,

**Debenture dated [●] between [Chargor]
and [Security Agent] (the "Debenture")**

- 1 We confirm receipt from [Chargor] (the "**Chargor**") of a notice dated [●] (the "**Notice**") of a charge upon the terms of the Debenture over all the rights of the Chargor to any amount standing to the credit of any of the Chargor's accounts with us (the "**Accounts**").
- 2 We confirm that we:
 - a) accept the instructions contained in the Notice and agree to comply with the Notice;
 - b) have not received notice of any prior security over, or the interest of any third party in, any Account;
 - c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Account;
 - d) will not permit any amount to be withdrawn from any Account [other than the Excluded Account (as defined in the Notice)] without your prior written consent; and
 - e) [will comply with any notice we may receive from the Security Agent in respect of the Excluded Account.]
- 3 The Accounts maintained with us are:
[Specify accounts and account numbers]
- 4 This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Account Bank]

SCHEDULE 3
FORMS OF LETTER FOR INSURERS
PART 1
NOTICE TO INSURER

To: [Insurer]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

**Debenture dated [●] between [Chargor]
and [Security Agent] (the "Debenture")**

- 1 This letter constitutes notice to you that under the Debenture we have assigned absolutely, subject to a proviso for re-assignment on redemption, to [Security Agent] (as trustee for the Secured Parties as referred to in the Debenture **(the "Security Agent")**) all our rights in respect of [insert details of contract of insurance including policy number] **(the "Insurance")**.
- 2 We confirm that:
 - a) we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
 - b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).
- 3 We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance), unless and until you receive notice from the Security Agent to the contrary stating that the security under the Debenture has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance).
- 4 We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Insurance requested from you by the Security Agent.
- 5 The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.
- 6 This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 7 Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....
(Authorised signatory)
[Chargor]

PART 2
ACKNOWLEDGEMENT OF INSURER

To: [Security Agent] (as Security Agent)

Copy: [Chargor]

[Date]

Dear Sirs,

**Debenture dated [●] between [Chargor]
and [Security Agent] (the "Debenture")**

- 1 We confirm receipt from [Chargor] (the "Chargor") of a notice dated [●] (the "Notice") of an assignment on the terms of the Debenture of all the Chargor's rights in respect of *[insert details of the contract of insurance]* (the "Insurance").
- 2 We confirm that :
 - a) we accept the instructions contained in the Notice and agree to comply with the Notice;
 - b) we will give notices and make payments under the Insurance as directed in the Notice;
 - c) no amount payable by us under the Insurance is subject to any set-off, counterclaim or other similar right and we will not exercise or claim any such right; and
 - d) we have not received notice of the interest of any third party in the Insurance.
- 3 This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Insurer]

**SCHEDULE 4
FORMS OF LETTER FOR OTHER CONTRACTS
PART 1
NOTICE TO COUNTERPARTY**

To: [Contract Counterparty]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

**Debenture dated [●] between [Chargor]
and [Security Agent] (the "Debenture")**

- 1 This letter constitutes notice to you that under the Debenture we have [assigned absolutely, subject to a proviso for re-assignment on redemption,]/[charged by way of a first fixed charge]¹ [to Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, **the "Security Agent"** all our rights in respect of [insert details of contract] (the "**Contract**").
- 2 We confirm that:
 - a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
 - b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.
- 3 We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices and make payments under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Debenture has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs.
- 4 We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Contract requested from you by the Security Agent.
- 5 The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent and you may comply with them without further permission from us or enquiry by you.
- 6 This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.
- 7 Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....
(Authorised signatory)
[Chargor]

¹ Delete as applicable.

PART 2

ACKNOWLEDGEMENT OF COUNTERPARTY

To: [Security Agent] (as Security Agent)

Copy: [Chargor]

[Date]

Dear Sirs,

**Debenture dated [●] between [Chargor]
and [Security Agent] (the "Debenture")**

- 1 We confirm receipt from [Chargor] (the "Chargor") of a notice dated [●] (the "Notice") of [an assignment]/[fixed charge]² on the terms of the Debenture of all the Chargor's rights in respect of [insert details of the contract] (the "Contract").
- 2 We confirm that we:
 - a) accept the instructions contained in the Notice and agree to comply with the Notice;
 - b) will give notices and make payments under the Contract as directed in the Notice;
 - c) confirm that no amount payable by us under the Contract is subject to any set-off, counterclaim or other similar right and we will not exercise or claim any such right; and
 - d) have not received notice of the interest of any third party in the Contract.
- 3 This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Contract counterparty]

² Delete as applicable.

SCHEDULE 5 FORM OF SUPPLEMENTAL DEBENTURE

THIS SUPPLEMENTAL DEBENTURE is made on the day of 20[●]

Between:

- (1) **[Chargor]** a company incorporated in England and Wales (company number [●]) whose registered office is at [●] (the "Chargor"); and
- (2) **[Security Agent]** a company incorporated in England and Wales (company number [●]) whose registered office is at [●] (the "Security Agent") as security trustee for the Secured Parties (as defined in the Facility Agreement (defined below)).

BACKGROUND

This Supplemental Debenture is supplemental to a debenture dated [●] between the Chargor and the Security Agent (as supplemented and amended from time to time, the "Debenture") and shall take effect as a Supplemental Debenture for the purposes of the Debenture.

This Deed witnesses as follows:

1 Definitions and interpretation

- 1.1 Terms defined in the Debenture have the same meaning when used in this Supplemental Debenture unless given a different meaning in this Supplemental Debenture.
- 1.2 The provisions of clauses 1.2 (*Construction*) to 1.7 (*Third party rights*) of the Debenture apply to this Supplemental Debenture as though they were set out in full in this Supplemental Debenture except that references to the Debenture will be construed as references to this Supplemental Debenture.
- 1.3 In this Supplemental Debenture, **"Additional Security Assets"** means any asset of the Chargor which is, or is expressed to be, subject to any Security created by this Supplemental Debenture.
- 1.4 From the date of this Supplemental Debenture, references within the Debenture to "Security Assets" shall be construed so as to extend to and include the Additional Security Assets.
- 1.5 The Debenture continues and remains in full force and effect and this Supplemental Debenture shall be read and construed as one with the Debenture so that all references to **"this Deed"** in the Debenture shall include reference to this Supplemental Debenture.
- 1.6 It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.
- 1.7 This Deed is designated as a Finance Document.

2 Creation of security

- 2.1 The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- 2.2 All the security created under this Supplemental Debenture:
 - 2.2.1 is created in favour of the Security Agent;

- 2.2.2 is created over present and future assets of the Chargor;
 - 2.2.3 is security for the payment of all the Secured Liabilities; and
 - 2.2.4 is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 2.3 The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

3 Real property

The Chargor charges by way of a first legal mortgage all estates or interests in the real property (if any) specified in the Schedule to this Supplemental Debenture including:

- 3.1.1 all buildings, fixtures, fittings and fixed plant and machinery on that property; and
 - 3.1.2 the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.
- 3.2 The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [Security Agent] referred to in the charges register or their conveyancer. (Standard Form P)".

4 Investments

The Chargor charges by way of a first fixed charge its interest in the investments (if any) specified in the Schedule to this Supplemental Debenture.

5 Plant and machinery

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (*Real property*) of the Debenture, the Chargor charges by way of a first fixed charge the plant and machinery (if any) specified in the Schedule to this Supplemental Debenture.

6 Credit balances

The Chargor charges by way of a first fixed charge all of its rights in respect of the accounts (if any) specified in the Schedule to this Supplemental Debenture, any amount standing to the credit of those accounts and the debt represented by them.

7 Intellectual property rights

The Chargor charges by way of a first fixed charge all of its Intellectual Property (if any) specified in the Schedule to this Supplemental Debenture.

8 Other contracts

- 8.1 The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under each contract (if any) specified in the Schedule to this Supplemental Debenture.

- 8.2 To the extent that they have not been effectively assigned under paragraph 8.1 above, the Chargor charges by way of a first fixed charge all of its rights listed under paragraph 8.1 above.

9 Perfection of Security

The Chargor must take such action in accordance with Clause 4 (*Perfection of Security*) of the Debenture in respect of the Additional Security Assets as if the Additional Security Assets had been Security Assets on the date of the Debenture.

10 Representations

- 10.1 The Chargor makes the representations and warranties set out in Clause 5 (*Representations*) of the Debenture to the Security Agent on the date of this Supplemental Debenture as if references in that Clause to "this Deed" were to this Supplemental Debenture.

- 10.2 The Chargor further represents and warrants to the Security Agent on the date of this Supplemental Debenture:

10.2.1 that subject to the Legal Reservations:

- a) the obligations expressed to be assumed by it in this Supplemental Debenture are legal, valid, binding and enforceable obligations; and
- b) this Supplemental Debenture creates the Security which it purports to create and that Security is valid and effective;

10.2.2 that the entry into and performance by it of the transactions contemplated by, this Supplemental Debenture, and the granting of the Security created by this Supplemental Debenture, do not and will not conflict with:

- a) any law or regulation applicable to it;
- b) its constitutional documents; or
- c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument; and

10.2.3 it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Supplemental Debenture and the transactions contemplated by this Supplemental Debenture.

11 Tacking

Each Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

12 Miscellaneous

- 12.1 The provisions of clauses 21 (*Partial invalidity*) and 25 (*Jurisdiction*) of the Debenture apply to this Supplemental Debenture as if set out in full in this Supplemental Debenture but as though references to the Debenture were references to this Supplemental Debenture.

- 12.2 This Supplemental Debenture and any non-contractual obligations arising out of or in connection with it shall be governed by English law

THIS SUPPLEMENTAL DEBENTURE has been signed on behalf of the Security Agent and **EXECUTED AS A DEED** by the Chargor and is delivered by them on the date specified at the beginning of this Supplemental Debenture

SCHEDULE TO SUPPLEMENTAL DEBENTURE**REAL PROPERTY**

[Intentionally left blank/]

Tenure	Description (address)	Title number
[Freehold/Long Leasehold]	[•]	[•]

INVESTMENTS

[Intentionally left blank/]

Description	Issuer
[[•] [ordinary] shares of [£1] each	[•]

PLANT AND MACHINERY

[Intentionally left blank/[•]]

ACCOUNTS

[Intentionally left blank/]

Account number	Sort code	Account name	Bank
[•]	[•]	[•]	[•]

INTELLECTUAL PROPERTY

[Intentionally left blank/[•]]



DESIGNATED CONTRACTS

[Intentionally left blank/[•]]

[SIGNATORIES TO SUPPLEMENTAL DEBENTURE – TO BE EXECUTED AS A DEED BY THE CHARGOR]

SIGNATORIES

Chargor

Executed as a deed by) 
SNIPER BAY LTD)
acting by two directors:) Director
) **Tarig El-Sheikh**
) **Print name:**
) 
)
) Director
) **Alexander Haydon Rignall**
) **Print name:**

Security Agent



Signed by)
for and on behalf of)
AVCAP LUXEMBOURG ASSET) Authorised signatory
HOLDING I S.A.R.L.) **Print name:**

SIGNATORIES

Chargor

Executed as a deed by)
SNIPER BAY LTD)
acting by two directors:) Director
) Print name:
)
) Director
) Print name:

Security Agent

Signed by)  
for and on behalf of)
AVCAP LUXEMBOURG ASSET) Authorised signatory
HOLDING I S.A.R.L.) Print name: Julian Schickel
) Steve Bernat