



Registration of a Charge

Company name: **FOOTBALL VENTURES (WHITES) LIMITED**

Company number: **11761052**



X8DEATZV

Received for Electronic Filing: **06/09/2019**

Details of Charge

Date of creation: **28/08/2019**

Charge code: **1176 1052 0004**

Persons entitled: **FILDRAW LIMITED**

Brief description: **LAND REGISTRY TITLE NUMBERS: GM737515; MAN98363; MAN98364; GM775859; GM775861; GM809366; WM342523; AND WM412509. ALL PATENTS, TRADEMARKS, SERVICE MARKS, REGISTERED DESIGNS, INVENTIONS (WHETHER OR NOT CAPABLE OF PATENT PROTECTION), THE BUSINESS AND TRADE NAMES, LOGOS, KNOW HOW AND CONFIDENTIAL INFORMATION, COPYRIGHT, GET UPS. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **CHARLES RUSSELL SPEECHLYS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11761052

Charge code: 1176 1052 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th August 2019 and created by FOOTBALL VENTURES (WHITES) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th September 2019 .

Given at Companies House, Cardiff on 9th September 2019

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



Companies House



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

DATED 28 August 2019

- (1) FVWL FOOTBALL LIMITED
- (2) FOOTBALL VENTURES (WHITES) LIMITED
- (3) BOLTON SPORTING VENTURES LIMITED
- (4) BOLTON ~~SPORTING~~ VILLAGE LIMITED
SPORTS
(as Chargors)
- and
- (5) FILDRAW LIMITED
(as Beneficiary)

CRS LLP

DEBENTURE

I certify that save for material redacted pursuant
to section 859G of the Companies Act 2006,
this copy is a correct copy of the original instrument.

Signed: Charles Russell Speechlys LLP

Dated: 3/09/2019

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THIS DEED is made on

28 August 2019

BETWEEN:

- (1) **FVWL FOOTBALL LIMITED** incorporated and registered in England and Wales with company number 12090433 whose registered office is at 180 Great Portland Street, London W1W 5QZ ("**FVWL Football**");
 - (2) **FOOTBALL VENTURES (WHITES) LIMITED** incorporated and registered in England and Wales with company number 11761052 whose registered office is also at 180 Great Portland Street, London W1W 5QZ ("**Whites**");
 - (3) **BOLTON SPORTING VENTURES LIMITED** incorporated and registered in England and Wales with company number 03225433 whose registered office is at University of Bolton Stadium, Burnden Way, Lostock, Bolton, England BL6 6JW ("**Ventures**");
 - (4) **BOLTON SPORTS VILLAGE LIMITED** incorporated and registered in England and Wales with company number 03025835 whose registered office is also at University of Bolton Stadium, Burnden Way, Lostock, Bolton, England BL6 6JW ("**Village**");
- (each a "**Chargor**", and together, the "**Chargors**"); and
- (5) **FILDRAW LIMITED**, a company incorporated in the British Virgin Islands with registered number 1552607, whose registered office is at Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands VG1110 (the "**Beneficiary**").

WHEREAS:

- (A) FVWL Football is required to pay the Beneficiary certain amounts in accordance with the terms of the Settlement Agreement (as defined below).
- (B) It is a condition precedent to those loan facilities being made available that the Chargors enter into this Deed.

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Account Bank means each bank, financial institution or other person with whom an Account is maintained;

Accounts means all accounts with any bank, financial institution or other person at any time owned or operated by each Chargor, all money from time to time standing to the credit of any of those accounts and all interest accruing in relation to them and the debt or debts represented by them;

Administrator means any administrator appointed in respect of each or any Chargor whether by the Beneficiary, a court or otherwise;

Assigned Contract means each of the contracts described in Schedule 4 (*Assigned Contracts*), and all guarantees, warranties and indemnities issued in relation to any Assigned Contract, and any other contract or agreement designated in writing as an "Assigned Contract" by the Beneficiary;

Authorisation means any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

Business Days means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

Chattels means all plant, machinery, vehicles, tools, computers, equipment, furniture and other chattels (excluding any for the time being forming part of each Chargor's stock in trade or work in progress) and any renewals or replacements of them together with the benefit of all warranties, guarantees, maintenance contracts, consents and licences relating to them;

Contracts means each of the contracts and agreements entered into by any of the Chargors (including, but not limited to, the Assigned Contracts) and all guarantees, warranties and indemnities issued in relation to any Contract;

Deed of Priority means a deed of priority entered into by various creditors including the Beneficiary, FVWL, Ventures and Village dated on or about the date of this Deed;

Default Rate is the rate that is due and payable under Clause 11 (*Default Interest*) of the Settlement Agreement;

Delegate means any delegate, agent, attorney or co-trustee appointed by the Beneficiary and/or any Receiver and/or any Delegate (as appropriate);

Discharge Date means the date on which the Beneficiary is satisfied that all the Secured Liabilities have been irrevocably discharged in full and no further Secured Liabilities are capable of arising;

Dividends means all dividends and distributions of any kind, interest and any other monies received or receivable in relation to any of the Shares;

Environment means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water);

Environmental Law means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;

- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste;

Event of Default has the meaning given to that term in the Settlement Agreement;

Finance Document means:

- (a) the Settlement Agreement;
- (b) this Deed; and
- (c) the Deed of Priority;

Football League Payment means the sum of approximately £820,000 which is paid by the Football League Limited to FVWL;

Insolvency Act means the Insolvency Act 1986;

Intellectual Property means:

- (a) the trademarks set out in Schedule 1 (*Intellectual Property*) together with all patents, trademarks, service marks, registered designs, inventions (whether or not capable of patent protection), the business and trade names, logos, know how and confidential information, copyright, get ups, unregistered design rights and drawings, domain names, (including but not limited to www.bwfc.com), all email systems and addresses and telephone numbers, database rights, trade secrets, moral rights and any other intellectual property or proprietary rights (including rights in computer software), in each case whether registered or unregistered and including applications for the registration or grant or rights to apply for registration or grant of any such rights and any and all forms of protection having equivalent or similar effect anywhere in the world including the right to sue for past infringements or misappropriation of the foregoing; and
- (b) the benefit of all applications, licences and rights to use the assets listed in paragraph (a) above.

Investments means the Shares and the Dividends;

Legal Mortgage means a charge by way of legal mortgage granted by any Chargor in favour of the Beneficiary and in the form of Schedule 6 (*Form of Legal Mortgage*) in respect of all or any part of the Real Property acquired by any Chargor after the date of this Deed;

LPA means the Law of Property Act 1925;

Monetary Claims means all book and other debts and monetary claims of any nature and however arising at any time owing to any Chargor or in which it has an interest

and all proceeds of those debts and claims together with the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same including but not limited to the Football League Payment;

Mortgaged Property means:

- (a) any freehold, leasehold or immovable property specified in Schedule 2 (*Mortgaged Property*) and any freehold, leasehold or immovable property specified in the schedule to any Legal Mortgage;
- (b) any buildings, erections, fixtures, fittings (including trade and tenant's fixtures, fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property listed in paragraph (a) above; and
- (c) the benefit of any covenants for title by any predecessor in title in respect of the property listed in paragraph (a) above or any monies paid or payable in respect of those covenants;

Party means a party to this Deed;

Planning Legislation means any legislation regulating the development or use of land or the erection and demolition of buildings and other structures on such land and all orders, regulations and permissions made, issued or granted under such legislation;

Policies means:

- (a) each of the insurance policies described in Schedule 5 (*Insurance Policies*);
- (b) each other insurance policy taken out at any time by or on behalf of each and any Chargor or in respect of which it has an interest or a right to claim; and
- (c) any other insurance policy designated as a "Policy" by the Beneficiary;

Real Property means:

- (a) the Mortgaged Property;
- (b) any other freehold, leasehold or immovable property in which any Chargor has an interest from time to time (including, for the avoidance of doubt, an option to purchase any property);
- (c) any buildings, erections, fixtures, fittings (including trade and tenant's fixtures, fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property listed in paragraphs (a) above and (b) above; and
- (d) the benefit of any covenants for title by any predecessor in title in respect of the property listed in paragraphs (a) and (b) above or any monies paid or payable in respect of those covenants;

Receiver means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets;

Regulations means the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226);

Related Rights means as regards any asset, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the asset, including sale proceeds and money paid by way of damages, award or judgment made in connection with that asset (including, without limitation, in relation to the Shares, all Dividends); and
- (b) all rights, interests and assets of each Chargor of any nature attaching to, deriving from that asset or exercisable as a result of each Chargor's interest in or ownership or operation of the asset;

Rental Income means the aggregate of all amounts paid or payable to or for the account of each Chargor in connection with the lettings, licence, grant of other rights of use or occupation of any part of any Real Property;

Relevant Currency means, in relation to each of the Secured Liabilities, the currency in which it is from time to time denominated;

Restrictions Notice means a "restrictions notice" as defined in paragraph 1(2) of Schedule 1(B) of the Companies Act 2006;

Secured Liabilities means all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity whatsoever) of each Chargor to any Secured Party under any Finance Document or otherwise (including, without limitation, those arising under Clause 25.1 (*Reinstatement*)), together with all interest (including, without limitation, default interest) accruing in respect of any of such monies, obligations and liabilities;

Secured Party means the Beneficiary, a Receiver or a Delegate;

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other Deed or arrangement having a similar effect;

Security Assets means all of the assets which from time to time are, or are expressed to be, subject to this Security;

Security Period means the period from the date of this Deed until the Discharge Date;

Settlement Agreement means the settlement deed dated on or about the date of this Deed between, amongst others, FWFL Football and the Beneficiary;

Shares means:

- (a) all shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, interests in collective investment schemes and all other securities and investments of any kind whatsoever (whether in certificated or uncertificated form) owned by each Chargor (or held by any nominee or trustee on its behalf) or in which it has an interest from time to time (including, but not limited to, the Shares (if any) listed in the Schedule to this Deed);
- (b) shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, securities, investments, money or other assets arising by way of conversion, exchange, substitution, rights issue, redemption, bonus, preference, option or otherwise in relation to any of the assets referred to in paragraph (a) above;
- (c) rights to subscribe for, purchase or otherwise acquire any of the assets referred to in paragraph (a) above through options, warrants or otherwise; and

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

Warning Notice means a "warning notice" as defined in paragraph 1(2) of Schedule 1(B) of the Companies Act 2006.

2 CONSTRUCTION

2.1 Unless defined in this Deed, a term defined in the Settlement Agreement has the same meaning in this Deed and in any notice given under or in connection with this Deed.

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

2.2.1 this Deed, a "**Finance Document**" or any other agreement or instrument is a reference to this Deed or that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, replaced or restated (in each case, other than in breach of this Deed or any other Finance Document) from time to time;

2.2.2 a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

2.2.3 a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

- 2.2.4 "asset" or "assets" includes present and future properties, revenues, interests and rights of every description;
- 2.2.5 "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;
- 2.2.6 a "Security Asset", "Accounts", "Chattels", "Contracts", "Dividends", "Intellectual Property", a "Lease", "Monetary Claims", "Policies", "Real Property" and a "Share" includes:
- (a) any part of that asset;
 - (b) any present and future assets of that type; and
 - (c) all Related Rights relating to assets of that type;
- 2.2.7 "this Security" means any Security created by or pursuant to this Deed;
- 2.2.8 "Secured Liabilities" is deemed to include a reference to any part of them;
- 2.2.9 the "Beneficiary", the "Chargor", any "Secured Party", or any "Party" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Beneficiary, any person for the time being appointed as Beneficiary or Beneficiaries in accordance with the Finance Documents;
- 2.2.10 a provision of law is a reference to that provision as amended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that provision of law;
- 2.2.11 the singular is deemed to include the plural and vice versa;
- 2.2.12 one gender is a reference to all other genders; and
- 2.2.13 a time of day is a reference to London time.
- 2.3 The term "Beneficiary" includes any subsidiary or group company or assignee of the Beneficiary granting or continuing to grant facilities or accommodation to the Chargors.
- 2.4 A reference to a "receiver" is a reference to a receiver of whatsoever nature including, without limitation, a receiver, a manager and an administrative receiver.
- 2.5 A reference to an "administrator" is a reference to an administrator appointed under the Insolvency Act and includes an administrator appointed under the out of court procedure under the Insolvency Act.
- 2.6 Clause and Schedule headings are for ease of reference only.

- 2.7 Any undertaking given by any Chargor under this Deed remains in force until the Discharge Date and is given for the benefit of each Secured Party.
- 2.8 The terms of the other Finance Documents and of any other agreements or instruments between any parties to the Settlement Agreement in relation to any Finance Document (as the case may be) are incorporated into this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or 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.
- 2.9 The absence of or incomplete details of any Security Asset in any Schedule does not affect the validity or enforceability of any Security under this Deed.
- 2.10 Clauses 4.2 (*Land*) to 4.12 (*Miscellaneous*) shall be construed as creating a separate and distinct mortgage or fixed charge over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage or fixed charge (whether arising out of this Deed or any act or omission by any Party) on any one asset shall not affect the nature of any mortgage or fixed charge imposed on any other asset whether within that same class of assets or not.
- 2.11 It is intended that this Deed takes effect as a deed notwithstanding the fact that the Beneficiary may only execute this Deed under hand.
- 2.12 If the Beneficiary considers that an amount paid to it under any Finance Document or in relation to any Secured Liability 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.
- 2.13 In the event of a conflict between the terms of this Deed and the terms of the Settlement Agreement, the terms of the Settlement Agreement will prevail.
- 2.14 This Deed should be read and construed subject to the terms of the Deed of Priority. In the event of any inconsistency between the terms of this Deed and the Deed of Priority, the terms of the Deed of Priority shall prevail.

3 UNDERTAKING TO PAY

3.1 Payment

Each Chargor covenants with the Beneficiary, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

3.2 Default Interest

- 3.2.1 If a Chargor fails to pay any amount under this Deed when it is due then such amount shall bear interest (after as well as before judgment and

payable on demand) at the Default Rate from the due date until the date such amount is irrevocably and unconditionally paid in full to the Beneficiary.

- 3.2.2 Default interest will accrue from day to day and will be compounded at such intervals as the Beneficiary states are appropriate.

4 SECURITY

4.1 Nature of Security

- 4.1.1 All the Security created under this Deed:

- (a) is created in favour of the Beneficiary;
- (b) is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and
- (c) is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

- 4.1.2 If any Chargor assigns its rights under an agreement (or charges those rights by way of first fixed charge) under this Deed and that assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:

- (a) that Chargor shall notify the Beneficiary promptly;
- (b) until the consent is obtained, this Deed will secure all amounts of any nature which that Chargor may now or in future receive under or in connection with that agreement but rights under the agreement itself shall not be secured under this Deed. Upon receipt of the relevant consent, the relevant rights under the agreement shall stand assigned or charged as the case may be, to the Beneficiary under this Deed;
- (c) unless the Beneficiary otherwise requires, that Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to rights under that agreement being secured in accordance with this Deed; and
- (d) that Chargor shall promptly supply the Beneficiary with a copy of any consent obtained by it.

4.2 Land

Each Chargor charges:

4.2.1 by way of a first legal mortgage, all estates or interests in each Mortgaged Property and all rights under any licence or other agreement or document which gives any Chargor a right to occupy or use a Mortgaged Property (where applicable); and

4.2.2 (to the extent that they are not the subject of a mortgage under Clause 4.2.1 above) by way of first fixed charge, all Real Property and all rights under any licence or other agreement or document which gives any Chargor a right to occupy or use Real Property.

4.3 Chattels

Each Chargor charges by way of a first fixed charge all the Chattels owned by them and their interests in any Chattels in their possession.

4.4 Rental Income

4.4.1 Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of security*), all its rights in respect of any lease documents entered into by it and the Rental Income provided that if any of those rights are not effectively assigned by this Clause 4.4, this assignment shall instead operate as an assignment of all sums, of any nature, which that Chargor may derive from those rights.

4.4.2 To the extent that they are not effectively assigned under Clause 4.4.1 above, each Chargor charges by way of its first fixed charge all of their rights described in Clause 4.4.1 above.

4.5 Investments

Each Chargor charges:

4.5.1 by way of a first fixed charge all its rights, interest and title to the Shares; and

4.5.2 by way of a first fixed charge all Dividends.

4.6 Accounts

4.6.1 Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of Security*), all their rights in respect of the Accounts.

4.6.2 To the extent that they are not effectively assigned under Clause 4.6.1 above, each Chargor charges by way of first fixed charge all of its rights and interest in and to the Accounts.

4.7 Monetary Claims

Each Chargor charges by way of first fixed charge all the Monetary Claims.

4.8 Contracts

4.8.1 Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of Security*), all their rights in respect of:

- (a) the Assigned Contracts;
- (b) the Contracts (other than the Assigned Contracts);
- (c) any letter of credit issued in its favour; and
- (d) any bill of exchange or other negotiable instrument held by it.

4.8.2 To the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, the Chargors charge by way of fixed charge all of their rights and interest in such Contract.

4.8.3 To the extent that any Contract is not capable of assignment or charge without infringing any provision of such Contract, that Chargor charges by way of fixed charge the proceeds of any Related Rights in respect of such Contract.

4.9 Insurances

4.9.1 Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of Security*), all amounts payable to it under or in connection with the Policies and all of their rights in connection with those amounts and/or the Policies.

4.9.2 To the extent that they are not effectively assigned under Clause 4.9.1 above, that Chargor charges by way of first fixed charge the relevant amounts and rights described in Clause 4.9.1 above.

4.10 Intellectual Property

Each Chargor charges by way of first fixed charge all its rights in its Intellectual Property.

4.11 Other Proceeds

Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of Security*) all of its rights and interest in all present and future proceeds of any disposal of any asset or claim from any third party.

4.12 Miscellaneous

Each Chargor charges by way of first fixed charge:

- 4.12.1 to the extent not otherwise charged by way of legal mortgage or fixed charge under this Clause 4, all Related Rights;
- 4.12.2 any beneficial interest, claim or entitlement it has in any pension fund;
- 4.12.3 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;
- 4.12.4 its goodwill;
- 4.12.5 its uncalled capital;
- 4.12.6 the benefit of any Authorisation (statutory or otherwise) held in connection with its business or the use of any Security Asset;
- 4.12.7 the right to recover and receive compensation or any other sum payable in relation to any Authorisation and all rights in connection with the Authorisations; and
- 4.12.8 the benefit of all rights in relation to any items under sub-clauses 4.12.1 to 4.12.7 above.

4.13 Floating charge

- 4.13.1 Each Chargor charges by way of a first floating charge all of its undertaking and assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 4.
- 4.13.2 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to Clause 4.13.1 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.

4.14 Crystallisation

- 4.14.1 The Beneficiary may at any time by notice in writing to the Chargers convert any floating charge created by that Chargor pursuant to Clause 4.13 (*Floating charge*) above into a fixed charge with immediate effect as regards any assets specified in the notice if:
 - (a) this Security has become enforceable in accordance with Clause 18 (*Enforcement of Security*); or
 - (b) the Beneficiary considers any Security Asset to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
 - (c) the Beneficiary reasonably considers that it is necessary in order to protect the priority of its Security.

4.14.2 Notwithstanding Clause 4.14.1 above and without prejudice to any rule of law which may have a similar effect, the floating charge created by Clause 4.13 (*Floating charge*) will automatically and immediately (without notice) convert into a fixed charge over all of a Chargor's assets if:

- (a) that Chargor creates or attempts to create any Security over any of the Security Assets without the prior written consent of the Beneficiary or otherwise than in accordance with the terms of the Finance Documents;
- (b) any person levies or attempts to levy any distress, attachment, execution or other process against any of the Security Assets;
- (c) a receiver or administrator is appointed in respect of that Chargor or a person entitled to appoint an administrator in respect of that Chargor gives notice of its intention to do so or files a notice of appointment with a court; or
- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, winding up, dissolution or re-organisation of that Chargor other than a winding up petition which is stayed within 14 days of commencement.

4.14.3 Notwithstanding any other provision of this Deed, the floating charge created by Clause 4.13 (*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 Schedule A1 of the Insolvency Act.

5 GENERAL REPRESENTATIONS AND WARRANTIES

The representations and warranties set out in this Clause 5 are made by each Chargor to the Beneficiary on the dates set out in clause 5.6.

- 5.1 Each Chargor is the sole absolute, legal and beneficial owner of its Security Assets.
- 5.2 No person save for any of the Chargors has any right or interest of any sort whatsoever in or to the Security Assets except for in accordance with the Deed of Priority.
- 5.3 No Chargor is aware of any adverse claim by any person in respect of the Security Assets or any interest in them.
- 5.4 There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Security Assets.

5.5 There is no breach of any law or regulation which materially and adversely affects the Security Assets.

5.6 The representations and warranties set out in this Deed are made on the date of this Deed and each representation and warranty is deemed to be repeated by it until the Discharge Date by reference to the circumstances existing at the time of repetition.

6 GENERAL UNDERTAKINGS

6.1 Negative Pledge

Except as permitted by the Finance Documents, no Chargor shall create, purport to create or permit to subsist any Security on or in relation to any Security Asset other than any Security created by this Deed.

6.2 Disposals

Except as permitted by, and in accordance with the terms of, the Finance Documents, no Chargor shall sell, transfer, lease or otherwise dispose or purport or agree to dispose of all or any part of the Security Assets.

6.3 Preservation of Security Assets

No Chargor shall do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the Security held by the Beneficiary, or materially diminish the value of any of the Security Assets or the effectiveness of this Security.

6.4 Compliance with laws

Each Chargor shall comply with the requirements of any law and regulation relating to or affecting any Security Assets or their use.

6.5 Title documents

Each Chargor shall, on the execution of this deed (or, if later, the date of acquisition of the relevant Security Asset), deposit with the Beneficiary (and the Beneficiary shall (until the Discharge Date) be entitled to hold) all deeds and documents of title (or other evidence of ownership) relating to the Security Assets that are in the possession or control of the relevant Chargor (and if these are not within the possession or control of the Chargors, the relevant Chargor undertake to obtain possession of all these deeds and documents of title).

7 REAL PROPERTY

7.1 Acquisitions

7.2 If any Chargor acquires any freehold, leasehold or commonhold property after the date of this Deed it shall:

7.2.1 notify the Beneficiary immediately;

- 7.2.2 immediately on request by the Beneficiary and at the cost of that Chargor, execute and deliver to the Beneficiary a Legal Mortgage in favour of the Beneficiary (as trustee for the Secured Parties) of that property;
 - 7.2.3 if the title to that freehold, leasehold or commonhold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Legal Mortgage; and
 - 7.2.4 if applicable, ensure that details of the Legal Mortgage are correctly noted in the Register of Title against that title at the Land Registry.
- 7.3 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a Legal Mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. That Chargor shall immediately request the relevant landlord's consent and shall use all reasonable endeavours to obtain that consent within five Business Days of making the request.

8 INVESTMENTS

8.1 Investments - representations and warranties

Each Chargor represents and warrants to the Beneficiary on each day up to the Discharge Date that:

- 8.1.1 the Shares are duly authorised, validly issued, fully paid, freely transferable and not subject to any option to purchase or any similar right and there are no monies or liabilities outstanding in respect of any Share;
- 8.1.2 each issuer of any Shares which are expressed to be subject to this Security are/is not, in any circumstances, entitled to any form of lien upon those Shares; and
- 8.1.3 each Chargor has complied with all notices relating to all or any of the Shares received by it pursuant to sections 790D and 790E of the Companies Act 2006 and no Warning Notice or Restrictions Notice has been issued to the Chargor in respect of all or any part of the Shares.

8.2 Investments - undertakings

Each Chargor shall:

- 8.2.1 obtain all consents, waivers, approvals and permissions that are necessary for the transfer of any Shares to the Beneficiary or its nominee, or to a purchaser on enforcement of this Security; and
- 8.2.2 procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Shares in any manner that the Beneficiary may require in order to

permit the transfer of the Shares to the Beneficiary or its nominee, or to a purchaser on enforcement of this Security.

8.3 Stock transfer form

Each Chargor undertakes to deposit with the Beneficiary or the Beneficiary's nominee stock transfer forms (or other appropriate transfer instruments) signed by each Chargor (or its nominee, where appropriate) as transferor but with details of the transferee, date and consideration left blank.

8.4 Completion of transfers

The Beneficiary is entitled at any time after an Event of Default has occurred to complete the stock transfer forms (or other transfer instruments) on behalf of each Chargor in favour of the Beneficiary or its nominee, using the power of attorney contained in Clause 24 (*Power of attorney*) or otherwise.

8.5 Voting rights, Dividends, etc.

8.5.1 Voting and other rights prior to an Event of Default

Prior to the occurrence of an Event of Default:

- (a) each Chargor is entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit provided that:
 - (i) it does not do so in a way which would breach any provision of any Finance Document or for a purpose inconsistent with any Finance Document; and
 - (ii) the exercise or failure to exercise those rights would not, in the Beneficiary's opinion, have an adverse effect on the value of the Investments and does not otherwise prejudice the Beneficiary's interests under this Deed; and
- (b) each Chargor is entitled to receive and retain all Dividends.

8.5.2 Voting and other rights following an Event of Default

After an Event of Default has occurred:

- (a) the Beneficiary will be entitled (but not obliged) to exercise or direct the exercise (or refrain from exercising or refrain from directing the exercise) of the voting and other rights attached to any Share as it sees fit in its absolute discretion;
- (b) each Chargor shall comply, or procure compliance with, any directions of the Beneficiary in relation to the exercise of those rights and shall promptly execute and deliver to the Beneficiary all forms of

proxy (or other forms of authorisation) as the Beneficiary may require in connection with the exercise of those rights; and

- (c) all Dividends shall be paid or transferred to the Beneficiary (or to its order) and any Dividends received by any Chargor shall be held by that Chargor on trust for the Beneficiary and immediately paid by it to the Beneficiary or to any nominee designated by the Beneficiary. The Beneficiary will be entitled to apply those Dividends in such manner as it sees fit.

8.5.3 Voting rights

At any time:

- (a) the Beneficiary may, in its absolute discretion, and without any consent or authority from the relevant Chargor (but providing the relevant Chargor with notice of any such election) elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Shares conferred or to be conferred on the Beneficiary pursuant to Clause 8.5.2(a) above, provided that the relevant Chargor shall compensate for, or otherwise make good to the Beneficiary, any loss or shortfall it may suffer as a consequence of such election;
- (b) once a notice has been issued by the Beneficiary under Clause 8.5.3(a) above, on and from the date of such notice, the Beneficiary shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Shares (conferred or to be conferred on it pursuant to Clause 8.5.2(a) above or any other provision of this Deed) and all such rights shall be exercisable by the relevant Chargor. The relevant Chargor shall be entitled on and from the date of such notice to exercise all voting rights in respect of the Shares subject only to the proviso contained in Clause 8.5.1(a) above.

8.6 Limited obligations of the Beneficiary

The Beneficiary shall not at any time (including if any Shares are registered in the name of the Beneficiary or its nominee) have any duty:

- 8.6.1 to make any payment or to ensure that any monies payable in respect of any Shares are duly and promptly paid or received by it or the relevant Chargor or any nominee;
- 8.6.2 to verify that the amounts referred to in Clause 8.6.1 are the correct amounts paid or received;
- 8.6.3 to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed,

accruing or offered at any time by way of interest, dividend, redemption, bonus rights, preference, option, warrant or otherwise on, or in respect of, or in substitution for, any Shares;

8.6.4 to perform any obligation of any Chargor in relation to any Shares; or

8.6.5 to present or file any claim or take any other action to collect or enforce the payment of any amount to which it or any Chargor may be entitled under this Deed.

9 CHATTELS

9.1 Maintenance

Each Chargor shall:

9.1.1 keep all its Chattels in good repair, working order and condition;

9.1.2 give the Beneficiary such information concerning the location, condition, use and operation of its Chattels as the Beneficiary may require;

9.1.3 permit any persons designated by the Beneficiary to inspect and examine the Chattels and the records relating to the Chattels at all reasonable times; and

9.1.4 not permit any Chattels to be:

(a) used or handled other than by properly qualified and trained persons; or

(b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

9.2 Notice of Charge

Each Chargor shall take any action which the Beneficiary may reasonably require to evidence the interest of the Beneficiary in its Chattels; this includes a fixed nameplate on its Chattels in a prominent position stating that:

9.2.1 the Chattel is charged in favour of the Beneficiary; and

9.2.2 the Chattel must not be disposed of without the prior consent of the Beneficiary unless permitted under the Settlement Agreement.

10 ACCOUNTS

10.1 Undertakings

Each Chargor shall:

- 10.1.1 except as regards any account maintained with the Beneficiary, deliver to the Beneficiary details of each Account maintained by it promptly upon any redesignation or change in account details affecting any Account;
- 10.1.2 promptly upon request by the Beneficiary, supply it with copies of all mandate letters, bank statements and other agreements relating to the Accounts; and
- 10.1.3 not permit or agree to any variation of the terms and conditions relating to any Account or close any Accounts.

11 MONETARY CLAIMS

11.1 Collecting Monetary Claims

Each Chargor shall (as agent of the Beneficiary) promptly get in and realise all Monetary Claims and pay the proceeds of such Monetary Claims into a Account or as the Beneficiary may otherwise direct in writing and pending that payment will hold those proceeds on trust for the Beneficiary.

11.2 Dealing with Monetary Claims

No Chargor shall not, except in accordance with the terms of the Finance Documents, without the prior written consent of the Beneficiary, assign, factor, discount, release, exchange, waive, compound, set-off, grant time or indulgence or otherwise deal with any of the Monetary Claims or vary any term relating to a Monetary Claim.

11.3 Assignment

Each Chargor shall, at the Beneficiary's request, execute a legal assignment of its Monetary Claims in favour of the Beneficiary on such terms as the Beneficiary may require and will sign and deliver written notice of that assignment, in a form acceptable to the Beneficiary, to each debtor which owes or may owe a Monetary Claim and will use all reasonable endeavours to procure that the notice is duly acknowledged by the debtors concerned in accordance with the terms of that assignment and that, following the date of such notice, each such debtor pays such Monetary Claims to the Beneficiary in accordance with the terms of the notice.

12 CONTRACTS

12.1 Undertaking

No Chargor shall (without the prior written consent of the Beneficiary) take any action which might jeopardise the existence or enforceability of any Contract to which it is a party.

12.2 Obligations

Notwithstanding the operation of Clause 4.8 (*Contracts*), each Chargor is and shall remain liable under any Contract to which it is a party to perform all its obligations

under that Contract and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Contract by reason of this Deed or the exercise by any Secured Party of any rights, powers or remedies under this Deed.

13 INSURANCES

No Chargor shall, without the Beneficiary's prior written consent, amend, supplement or waive or agree to the amendment, supplement or waiver of any term of any Policy or terminate any Policy or allow any Policy to lapse (other than where a Policy expires in accordance with its terms and not by reason of default).

14 INTELLECTUAL PROPERTY

14.1 Intellectual Property – undertakings

14.1.1 Each Chargor shall do all such acts and things as are necessary or desirable to preserve and maintain the existence, validity and value of its Intellectual Property.

14.1.2 No Chargor shall abandon, cancel or allow any of its Intellectual Property to become void, lapse or to become vulnerable to attack, whether for non-use or otherwise.

14.2 Preservation/protection

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

15 THE LAND REGISTRY

15.1 Each Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Fildraw Limited referred to in the charges register or their conveyancer".

15.2 No Chargor shall allow any person other than the relevant Chargor to be registered under the Land Registration Act 2002 as proprietor of any of the Real Property and will not, as regards any Real Property, create or permit to arise any overriding interest within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003 and more particularly set out in Schedule 1 or Schedule 3 of the Land Registration Act 2002.

- 15.3 No Chargor shall permit any person to become entitled to any proprietary right or interest which might affect the value of any Real Property.
- 15.4 Each Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect this Security.
- 15.5 Each Chargor authorises the Beneficiary and/or any solicitors or other agent acting on behalf of the Beneficiary to complete, execute and deliver on the Chargor's behalf (but at the cost of the Chargor) to the Land Registry any form, document or other information requested by the Land Registry with regard to the applications referred to in this Clause 15.

16 NOTICES OF ASSIGNMENT AND CHARGE

16.1 Rental Income

- 16.1.1 Each Chargor shall at the request of the Beneficiary serve a notice, substantially in the form of Part 1 of Schedule 7 (*Form of Notice to Tenant*), on each tenant of any Real Property.
- 16.1.2 The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in Part 2 of Schedule 7 (*Form of Acknowledgement from Tenant*) within five Business Days of the date of such notice.

16.2 Accounts

- 16.2.1 Each Chargor shall at the request of the Beneficiary serve a notice, substantially in the form of Part 1 Schedule 8 (*Form of Notice to Account Bank*), on each Account Bank with whom an Account is held.
- 16.2.2 Each Chargor shall use all reasonable endeavours to procure that each Account Bank acknowledges any such notice in substantially the form of Schedule 8 (*Form of Acknowledgement from Account Bank*) within five Business Days of the date of such notice.

16.3 Assigned Contracts

- 16.3.1 Each Chargor shall at the request of the Beneficiary serve a notice, substantially in the form of Part 1 of Schedule 9 (*Form of Notice to Counterparty*), on each counterparty to each such Contract to which it is a party.
- 16.3.2 The relevant Chargor shall use all reasonable endeavours to procure that each such counterparty acknowledges that notice in substantially the form specified in Part 2 of Schedule 9 (*Form of Acknowledgement from Counterparty*) within five Business Days of the date of such notice.

16.4 Insurance

16.4.1 Each Chargor shall at the request of the Beneficiary serve a notice, substantially in the form of Part 1 of Schedule 10 (*Form of Notice and Acknowledgement for Insurer*), on each other party to each Policy.

16.4.2 The relevant Chargor shall use all reasonable endeavours to procure that each such party acknowledges that notice in substantially the form specified in Part 2 of Schedule 10 (*Form of Acknowledgement from Insurer*) within five Business Days of the date of such notice.

16.5 Instructions irrevocable

Any instructions contained in any notice sent by any Chargor pursuant to this Clause 16 may not be revoked or amended without the Beneficiary's prior written consent.

17 POWERS, PROTECTION AND DISCRETIONS OF THE BENEFICIARY

17.1 Rights and powers etc

To the fullest extent allowed by law (and without prejudice to, all statutory and other powers of the Beneficiary), all the rights, powers, authorities and discretions which are expressly or impliedly conferred by this Deed or by law on a Receiver may, after this Security has become enforceable, be exercised by the Beneficiary (whether as attorney of a Chargor or otherwise) in respect of any Security Asset whether or not a Receiver has been or is later appointed.

17.2 Protections

All the protections and immunities which this Deed provides for a Receiver shall be available to the Beneficiary when the Beneficiary is exercising the rights, powers, authorities and discretions conferred on the Beneficiary by this Deed.

17.3 Curing of breaches and covenants

Without prejudice to any other rights of the Beneficiary under this Deed, if any Chargor fails to comply with any provision of this Deed, the Beneficiary shall be entitled (but not obliged) to remedy such breach and accordingly that Chargor shall allow and hereby authorises the Beneficiary or its nominee to do all such acts and things and take such action on behalf of that Chargor as may be necessary to secure compliance with that provision without becoming liable as a mortgagee in possession.

17.4 Indemnity

The Chargors shall indemnify the Beneficiary against all losses, costs, charges, expenses and liabilities incurred by the Beneficiary as a result of the breach or failure by any Chargor to comply with any provision of this Deed and in connection with the exercise by the Beneficiary or its nominee of their respective rights contained in Clause 17.3 (*Curing of breaches and covenants*).

17.5 Expenses so incurred

All monies expended and all costs incurred by the Beneficiary or its nominee in carrying out any of their respective powers and discretions referred to in Clause 17.3 (*Curing of breaches and covenants*) shall be considered to have been properly incurred by the Beneficiary or its nominee, shall be secured by this Security and shall be payable on demand by the Chargors to the Beneficiary.

18 ENFORCEMENT OF SECURITY

18.1 Timing

This Security will be immediately enforceable on the occurrence of:

18.1.1 an Event of Default; or

18.1.2 a request being made by a Chargor to the Beneficiary that it exercise any of its powers under this Deed.

18.2 Enforcement

At any time after this Security has become enforceable, the Beneficiary may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion:

18.2.1 enforce all or any part of that Security (at the times, and in any manner and on such terms, as it sees fit);

18.2.2 appoint a Receiver to all or any part of the Security Assets;

18.2.3 appoint one or more persons as an Administrator of any or all of the Chargors in accordance with Schedule B1 of the Insolvency Act;

18.2.4 apply to the court for an order removing an Administrator and/or replace an Administrator appointed by the Beneficiary;

18.2.5 take possession of and hold or dispose of all or any part of the Security Assets including, without limitation, all of the powers conferred on a mortgagee under the LPA (as varied or extended by this Deed) or any of the powers conferred on a holder of a qualifying floating charge holder (as defined in the Insolvency Act);

18.2.6 secure and perfect its title to all or any part of a Security Asset and / or transfer any asset into its name or the name of its nominee or, as applicable, into an account in its own name or the name of its nominee;

18.2.7 exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute legal and beneficial owner of that Security Asset;

18.2.8 to the extent permitted by law, whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorisations and discretions (and

be entitled to all the privileges and immunities) conferred by the LPA (as varied and extended by this Deed) on mortgagees, by this Deed on any Receiver, or conferred by the Insolvency Act or any other law on mortgagees and Receivers;

- 18.2.9 subject to Clause 4.14.3, by written notice to the relevant Chargor convert the floating charge created by Clause 4.13 into a fixed charge as regards any assets specified in that notice; and/or
- 18.2.10 exercise the statutory power of sale and any other powers conferred by section 101 of the LPA and the statutory powers of leasing as amended and varied in the forgoing clauses and all other statutory powers in respect of the whole or any part of the Security Assets; and/or
- 18.2.11 exercise all its rights, powers and remedies as assignee of the Accounts or any contracts and/or agreements and, in particular, the right to:
 - (a) demand and receive any interest or other monies payable in respect of any credit balance on any Account or any relevant contract or agreement; and
 - (b) withdraw sums standing to the credit of any Account (or, by notice to the bank with whom such Account is maintained, block the withdrawal of any such sums) and otherwise exercise all rights in relation to the Accounts as the relevant Chargor may exercise (or, but for this Deed) might exercise; and
 - (c) apply, transfer or set-off any or all of the balances from time to time standing to the credit of the Accounts in or towards the payment or other satisfaction of all or part of the Secured Liabilities then due but unpaid in accordance with Clause 21.1 (*Order of application*).

18.3 Statutory powers

- 18.3.1 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.
- 18.3.2 The statutory power of sale or other right of disposal conferred on the Beneficiary and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and such power shall arise and be exercisable on execution of this Deed, but the Beneficiary shall not exercise such powers until this Security has become enforceable.
- 18.3.3 The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA and/or by any other statute may be exercised by the Beneficiary and any Receiver at any time on or after this Deed has become enforceable and such powers are extended by this Deed so as to authorise the Beneficiary and any Receiver to make any lease or

agreements for lease, accept surrenders of leases and grant options on such terms as the Beneficiary or Receiver (as the case may be) may think fit and without the need to comply with any restrictions imposed by law (including, but not limited to, under section 99 or section 100 of the LPA).

18.3.4 For the purposes of sections 99 and 100 of the LPA, the expression "**mortgagor**" will include any incumbrancer deriving title under any Chargor and neither sub-section (18) of section 99 nor sub-section (12) of section 100 of the LPA will apply.

18.3.5 No Chargor shall have, at any time until the Discharge Date, the power pursuant to section 99 of the LPA to grant any Lease in respect of any Real Property without the prior written consent of the Beneficiary unless permitted pursuant to the terms of the Settlement Agreement.

18.3.6 The restriction on the right of consolidation contained in section 93 of the LPA shall not apply to this Security.

18.3.7 Section 103 of the LPA shall not apply to this Security.

18.4 Access on enforcement

18.4.1 At any time after this Security has become enforceable, each Chargor will allow any of the Secured Parties, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Security Asset and for that purpose to enter on any premises where a Security Asset is situated (or where any Secured Party reasonably believes a Security Asset to be situated) without incurring any liability to the Chargors for, or by any reason of, that entry.

18.4.2 At all times, the Chargors must use their best endeavours to allow any Secured Party access to any premises for the purpose of Clause 18.4.1 (obtaining any necessary consents or permits of other persons) and ensure that their employees and officers do the same.

19 RECEIVER

19.1 Appointment of Receiver

19.1.1 At any time after this Security has become enforceable, the Beneficiary may without prior notice appoint:

- (a) any one or more persons to be a Receiver of all or any part of the Security Assets; or
- (b) two or more Receivers of separate parts of the Security Assets; or
- (c) another person(s) as an additional Receiver(s).

- 19.1.2 Any appointment under Clause 19.1.1 above may be by deed, under seal or in writing under its hand.
- 19.1.3 Except as provided in Clause 19.1.4, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed.
- 19.1.4 The Beneficiary 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 section 1A of the Insolvency Act.
- 19.1.5 At any time, if so requested by any Chargor, without further notice, the Beneficiary may appoint a Receiver to all or any part of the Security Assets.

19.2 Statutory powers of appointment

- 19.2.1 The powers of appointment of a Receiver pursuant to Clause 19.1 (*Appointment of Receiver*) above shall be in addition to all statutory and other powers of appointment of the Beneficiary under the LPA (as extended by this Deed), the Insolvency Act or otherwise and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.
- 19.2.2 Such powers of appointment of a Receiver shall remain exercisable from time to time by the Beneficiary in respect of any part of the Security Assets, despite any prior appointment in respect of all or any part of the Security Assets.

19.3 Removal

The Beneficiary may from time to time by writing under its hand (subject to the 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 who has been removed for any reason.

19.4 Remuneration

The Beneficiary may from time to time fix the remuneration of any Receiver appointed by it and any restrictions imposed by any law (including under section 109 of the LPA) will not apply. Any remuneration of any Receiver will form part of the Secured Liabilities.

19.5 Agent of the Chargor

- 19.5.1 A Receiver will be deemed to be the agent of each relevant 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. The Chargors are solely responsible for the remuneration, expenses, contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver. The agency of each Receiver shall

continue until a Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Beneficiary.

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

19.5.3 No Receiver shall at any time act as agent for any other Secured Party.

20 POWERS OF RECEIVER

20.1 Statutory powers

20.1.1 A Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of a Chargor) has (to the extent permitted by law):

- (a) all of the rights, powers, remedies and discretions of an administrative receiver under Schedule 1 of the Insolvency Act, as if such Schedule and all relevant definitions set out in the Insolvency Act were set out in this Deed; and
- (b) otherwise, all the rights, powers, remedies and discretions conferred on a mortgagor, a mortgagee in possession and on a Receiver appointed under the LPA or the Insolvency Act.

20.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually (and to the exclusion of any other Receiver) or together with any other person appointed or substituted as a Receiver.

20.1.3 Any exercise by a Receiver of any of the powers given by this Clause 20 and Schedule 1 (*Additional Powers of Receiver*) may be on behalf of the Chargors, the directors of each Chargor or himself.

20.2 Additional powers

In addition to those powers, rights and discretions set out in Clauses 20.1.1(a) and 20.1.1(b) above, a Receiver shall have the rights, powers and discretions set out in Schedule 1 (*Additional Powers of Receiver*).

20.3 Powers to be additional

The powers conferred by this Deed in relation to the Security Assets on the Receiver shall be in addition to, and not in substitution for, the powers conferred on receivers under the LPA and the Insolvency Act.

20.4 Powers to be exercisable by the Beneficiary

20.4.1 The Beneficiary may exercise all powers granted to the Receiver by this Deed whether as attorney of a Chargor or otherwise.

20.4.2 The powers of the Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Beneficiary as provided in Clause 18.3 (*Statutory powers*) or otherwise and so that, inter alia, such powers are and remain exercisable by the Beneficiary in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Beneficiary is from time to time subsisting.

20.5 Conflict

If and to the extent that there is any ambiguity or conflict between:

20.5.1 the powers conferred on the Receiver by the LPA and those powers listed in Schedule 1 of the Insolvency Act; and

20.5.2 the powers conferred by this Clause 20,
the powers conferred by this Clause 20 shall prevail.

21 APPLICATION OF PROCEEDS

21.1 Order of application

All amounts from time to time received or recovered by any Secured Party pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of this Security (for the purposes of this Clause **Error! Reference source not found.**, the "**Recoveries**") shall be held by that Secured Party on trust to apply them at any time as that Secured Party (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause **Error! Reference source not found.**), in the following order:

21.1.1 **first**, in payment of all charges, costs and expenses incurred by or on behalf of any Secured Party under or in connection with any realisation or enforcement of the Security taken in accordance with the terms of this Deed and all remuneration due to any Receiver under or in connection with this Deed;

21.1.2 **secondly**, in or towards payment of or provision for the Secured Liabilities in accordance with the Settlement Agreement; and

21.1.3 **thirdly**, the balance (if any) will be applied as required by law.

21.2 Appropriation

Neither the Beneficiary, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA, which is varied accordingly, or otherwise) to pay

or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

21.3 Permitted Deductions

The Beneficiary shall be entitled, in its discretion to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Beneficiary under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Deed).

22 PROTECTION OF PURCHASERS

22.1 No purchaser or other person dealing with any Secured Party shall be concerned to enquire:

22.1.1 whether any of the Secured Liabilities have become due and/or payable;

22.1.2 whether any of the powers conferred on a Secured Party by this Deed or by law has arisen or become exercisable or is being properly exercised;

22.1.3 whether any of the Secured Liabilities remains due; or

22.1.4 how any money paid to that Secured Party is to be applied.

22.2 No purchaser dealing with any Secured Party or this Security is to be concerned to enquire as to the propriety or regularity of any sale by, or other dealing with, the Secured Parties. Any such sale or dealing is deemed to be within the powers conferred by this Deed and to be valid and effective accordingly. All the protection to purchasers contained in section 104 and section 107 of the LPA and section 42(3) of the Insolvency Act apply to any purchaser.

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

23 LIABILITY OF BENEFICIARY AND RECEIVER

23.1 Liability

None of the Beneficiary, any Receiver or any Delegate, (whether as mortgagee in possession or otherwise) shall either by reason of:

23.1.1 taking possession of or realising all or any part of the Security Assets; or

23.1.2 taking any action permitted by this Deed,

be liable to the Chargors or any other person for any costs, losses or liabilities relating to any of the Security Assets or for any act, neglect, default, omission or misconduct

of the Beneficiary, any Receiver or any Delegate in relation to the Security Assets or otherwise.

23.2 Exoneration

23.2.1 None of the Beneficiary, any Receiver or any Delegate shall have any duty:

- (a) to perform any Chargor's obligations or exercise any rights in relation to any Security Asset;
- (b) to ensure that any Related Rights are made available and to ensure that the correct amount has been received in relation to any Related Right;
- (c) to take up any offer in relation to any Security Asset;
- (d) to investigate, appraise or report on the status, propriety or validity of the acts of the Receiver or Beneficiary;
- (e) to give any notification to anyone in relation to any Security Asset;
- (f) to take any action to enforce any other person's obligations as regards any Security Asset; or
- (g) to take any action to preserve any rights relating to any of the Security Assets.

23.2.2 None of the Beneficiary, any Receiver or any Delegate shall:

- (a) be liable to comply with the obligations assumed by any Chargor in respect of any of the Security Assets;
- (b) be under any obligation or liability by reason of, or arising out of, this Deed; or
- (c) be required to make any enquiry as the nature or sufficiency of any payment received by a Secured Party or to present or file any claim or take any other action to collect or enforce the payment of any amount or to enforce any other right to which the Beneficiary may be entitled.

23.3 Protection of the Receiver and the Beneficiary

Each Receiver and the Beneficiary shall be entitled to all the rights, powers, privileges and immunities which the LPA and/or the Insolvency Act confers on mortgagees and Receivers.

23.4 Reimbursement and Indemnity

The Beneficiary and every Receiver and Delegate may, in priority to any payment to the other Secured Parties, indemnify itself out of the Security Assets in respect of:

and pay and retain all sums necessary to give effect to, the indemnity in Clause 39 (*Indemnity to the Beneficiary and Receiver*).

24 POWER OF ATTORNEY

24.1 By way of security for the performance of its obligations under this Deed, each Chargor irrevocably and severally appoints the Beneficiary, each Receiver and each Delegate to be its attorney (with full power of substitution and delegation) and in its name, on its behalf and as its act and deed to:

24.1.1 execute, deliver and perfect a Legal Mortgage over any Real Property not already the subject of a registrable Legal Mortgage;

24.1.2 exercise voting rights in respect of the Shares in accordance with the terms of this Deed;

24.1.3 execute, deliver and perfect all other deeds, instruments and other documents and do (or cause to be done) all such acts and things which the attorney may consider to be required or desirable for:

(a) carrying out any obligation imposed on that Chargor by this Deed or any agreement binding on that Chargor to which the Beneficiary is a party (including, but not limited to, the execution and delivery of any charges, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the Security created or intended to be created in respect of the Security Assets); and/or

(b) enabling the Beneficiary and any Receiver (and any Delegate) to exercise any of the rights, powers, authorities and discretions conferred on them pursuant to this Deed or by law (including, after this Security has become enforceable as provided in this Deed, the exercise of any right of a legal or beneficial owner of the Security Assets or any part of the Security Assets).

24.2 Each Chargor ratifies and confirms all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of its rights, powers, authorities and discretions referred to in Clause 24.1.

24.3 Each Chargor covenants (for the purpose of the irrevocable nature of the power of attorney granted in this Clause 24) with each Receiver appointed pursuant to this Deed, to join in and concur with the exercise by such Receiver of any powers of such Receiver to act on behalf of that Chargor.

25 PROTECTIVE PROVISIONS

25.1 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or any Security for those obligations or otherwise) is made by the Beneficiary in whole or in part on the basis of any payment, Security, or other discretion which is

avoided or must be restored in insolvency, liquidation, administration, receivership or otherwise, without limitation, then the liability of that Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

25.2 Waiver of defences

The obligations of, and the Security created by, each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this Clause 25, would reduce, release or prejudice any of its obligations under, or the Security created by, this Deed (without limitation and whether or not known to any Chargor or the Beneficiary), including:

- 25.2.1 any time, waiver or consent granted or agreed to be granted to, or composition with any other person;
- 25.2.2 the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor or any member of the group;
- 25.2.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or Security over assets of, any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 25.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- 25.2.5 any amendment, determination, novation, supplement, extension (whether at maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of any Finance Document or any other document or Security or of the Secured Liabilities (including, without limitation, any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Finance Document or other document or Security); and
- 25.2.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Liabilities; or
- 25.2.7 any insolvency or similar proceedings.

Without prejudice to the generality of this Clause 25.2, each Chargor expressly confirms that it intends that the Security created by it under 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 for the purposes of or in connection

with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

25.3 Immediate recourse

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

25.4 Appropriations

Until all amounts which may be or become payable by each Chargor under or in connection with the Finance Documents have been irrevocably paid in full, the Beneficiary (or any trustee or agent on its behalf) may:

25.4.1 refrain from applying or enforcing any other moneys, Security or rights held or received by the Beneficiary (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall not be entitled to the benefit of the same; and

25.4.2 hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any liability arising under this Deed.

25.5 Non-competition

Until the occurrence of the Discharge Date or unless the prior written consent of the Beneficiary is obtained, no Chargor shall 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:

25.5.1 to be indemnified by any person;

25.5.2 to claim any contribution from any other provider of Security or any guarantor of the Secured Liabilities; and

25.5.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Beneficiary under the Finance Documents or of any other guarantee, indemnity or Security taken pursuant to, or in connection with, the Secured Liabilities by the Beneficiary.

If a Chargor receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Beneficiary in connection with the

Secured Liabilities to be repaid in full) on trust for the Beneficiary and shall promptly pay or transfer the same to the Beneficiary or as the Beneficiary may direct.

26 DELEGATION AND DISCRETION

26.1 Delegation

26.1.1 The Beneficiary and/or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner all or any of the rights, powers, authorities and discretions which are conferred and are exercisable by it under this Deed (including the power of attorney granted under Clause 24 (*Power of attorney*)) to any person or persons on such terms and conditions (including the power to sub-delegate) as it sees fit.

26.1.2 No such delegation pursuant to this Clause 26 shall preclude either the subsequent exercise of any such right, power, authority or discretion by the Beneficiary or a Receiver itself or any subsequent delegation or revocation of any such right, power, authority or discretion.

26.1.3 Neither the Beneficiary nor any Receiver will be bound to supervise any such Delegate or have any liability to the Chargor or any other person for any loss or liability arising from any act, default, omission or misconduct by any Delegate.

26.2 Discretion

Any right or power which may be exercised or any determination which may be made under this Deed by the Beneficiary or any Receiver may be exercised by it in its absolute and unfettered discretion, without any obligation to give reasons.

27 EFFECTIVENESS OF SECURITY

27.1 Continuing Security

This Security shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any settlement of account, intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

27.2 Cumulative rights

This Security and the rights, powers and remedies of the Beneficiary under this Deed shall be cumulative and shall be in addition to and independent of every other Security, guarantee, right, power or remedy which the Beneficiary may at any time have in connection with the Secured Liabilities, including the rights, powers and remedies provided by law, and accordingly, the Beneficiary shall not be obliged before exercising any such rights, powers or remedies:

27.2.1 to make any demand of, or take any action or obtain any judgment in any court against, any Chargor;

27.2.2 to make or file any claim or proof in winding-up or dissolution of any Chargor; or

27.2.3 to enforce or seek to enforce any other Security held by it in respect of the Secured Liabilities.

27.3 No merger of Security

This Security is in addition to, and independent of, and is not in any way prejudiced by, any other Security or guarantee that the Beneficiary or any other Secured Party may hold in any capacity for any of the Secured Liabilities at any time. No prior Security held in any capacity by the Beneficiary or any other Secured Party over the whole or any part of the Security Assets shall merge with this Security.

27.4 No prejudice

This Security shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or by any variation of any trust on which this Security is held, or by any other thing which might otherwise prejudice that Security.

27.5 Remedies and waivers

27.5.1 No waiver of any right or remedy, nor any consent given under this Deed, shall be effective unless it is made in writing by the waiving or consenting party. A waiver shall not be deemed a waiver of any other breach or default and a consent shall not be deemed to apply in any other circumstance other than the one for which it was given. No waiver or consent shall prevent the party giving it from subsequently relying on the relevant provision.

27.5.2 No failure to exercise, nor any delay in exercising, on the part of a Secured Party, any right or remedy under a Finance Document or by law shall operate as a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy, or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of any Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent or restrict any further or other exercise of that right or remedy or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

27.6 Partial invalidity

27.6.1 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality,

validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.

- 27.6.2 If any part of the Security created or intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security constituted under this Deed.

27.7 Further assurance

- 27.7.1 Each Chargor shall promptly, at its own cost, enter into, execute and complete a Legal Mortgage over any Real Property in England and Wales not already the subject of a registrable Legal Mortgage.

- 27.7.2 Each Chargor shall promptly, at its own cost, do whatever the Beneficiary requires:

- (a) to create, perfect and/or protect the Security created or intended be created by this Deed;
- (b) to create, perfect and/or protect the priority of the Security created or intended be created by this Deed;
- (c) to facilitate the exercise of any rights, powers, discretions and remedies vested in the Beneficiary or any Receiver (or any Delegate) by this Deed and/or by the law; and/or
- (d) to facilitate the realisation of the Security Assets.

- 27.7.3 In order to satisfy its obligations under sub-clauses 27.7.1 and 27.7.2 above, each Chargor shall immediately, upon the request of the Beneficiary, execute any transfer, conveyance, mortgage, charge, assignment or assurance over all or any of the assets intended to constitute the Security Assets (whether in favour of the Beneficiary or its nominee or otherwise) and make any filing, registration or notarisation and give any notice, instructions, order or direction in respect of the Security Assets.

28 PRIOR SECURITY INTERESTS

- 28.1 At any time after this Security has become enforceable, or after any powers conferred by any prior ranking Security shall have become exercisable, the Beneficiary may redeem that or any other prior Security and/or procure the transfer of any such Security to itself.
- 28.2 The Beneficiary may settle and agree the accounts of the holder of any prior Security and any accounts so settled and agreed will (in the absence of manifest error) be conclusive and binding on the Chargors.
- 28.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the relevant Chargor to the Beneficiary on

demand together with accrued interest on such sums (after as well as before judgment) at the Default Rate from the time or respective times of the same having been paid or incurred until payment of such sums (both before and after judgment), and such sums will form part of the Secured Liabilities.

29 SUBSEQUENT SECURITY INTERESTS

If the Beneficiary receives, or is deemed to be affected by, notice whether actual or constructive of any subsequent Security or other interest affecting all or part of the Security Assets, it may open a new account for that Chargor in its books. If the Beneficiary does not open a new account, it shall nevertheless be treated as if it had done so at the time it received or was deemed to be affected by such notice. Unless the Beneficiary gives express written notice to the contrary to the Chargors, all payments made by a Chargor to the Beneficiary will, as from the time of receipt or deemed receipt of the relevant notice by the Beneficiary, be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Liabilities.

30 SUSPENSE ACCOUNT

30.1 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, a Secured Party may pay the proceeds of any recoveries effected by it into a suspense account, in which event Clause 30.2 (*Suspense account*) shall apply to such proceeds.

30.2 Suspense account

All monies received, recovered or realised by a Secured Party under this Deed (including the proceeds of any conversion of currency and any proceeds referred to in Clause 30.1 above) may in the absolute discretion of that Secured Party be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society or financial institution for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Secured Party's absolute discretion, in or towards the discharge of any of the Secured Liabilities.

31 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 any Chargor has with the Beneficiary within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which the Beneficiary considers appropriate.

32 RELEASE OF SECURITY

- 32.1 Upon the occurrence of the Discharge Date and subject always to Clause 25.1 (*Reinstatement*) and Clause 32.2, the Beneficiary shall, at the request and cost of the Chargors, release and cancel this Security and procure the reassignment to the Chargors of the assets assigned to the Beneficiary pursuant to this Deed, in each case without recourse to, or any representation or warranty by, the Beneficiary or any of its Delegates.
- 32.2 Following any discharge of the any Chargor made by the Beneficiary in reliance on any payment or Security the Beneficiary may retain this Security (and all documents of title or other documents necessary to protect such Security) until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person other than the relevant Chargor making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Beneficiary may retain this Security for as long as it sees fit.

33 SET-OFF

The Beneficiary may at any time set off any obligation due from the Chargor (to the extent beneficially owned by the Beneficiary) against any obligation owed by the Beneficiary to a Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Beneficiary may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

34 FINANCIAL COLLATERAL

- 34.1 To the extent that any of the Security Assets constitute "financial collateral" and this Deed constitutes a "security financial collateral arrangement" (as those terms are defined in the Regulations), the Beneficiary shall, upon this Security becoming enforceable and to the extent permitted by the Regulations, have the right to appropriate all or any part of that financial collateral in or towards the payment or discharge of the Secured Liabilities without obtaining any court authorisation and in such order as the Beneficiary may in its absolute discretion determine.
- 34.2 The Parties agree that the value of any Security Asset appropriated in accordance with sub-clause 34.1 above shall be:
- 34.2.1 in the case of cash, the amount of such cash plus any accrued but unposted interest attributable to such cash on the date of appropriation; and
- 34.2.2 in the case of Shares, the price of those Shares at the time the right of appropriation is exercised as listed on any recognised market index, as determined by an independent valuation or as determined by such other method as the Beneficiary may select.

34.3 The Parties agree that the method of valuation provided for in this Clause 34 is commercially reasonable for the purposes of the Regulations.

35 CURRENCY

35.1 Relevant Currency

Each Chargor is obliged under this Deed to discharge the Secured Liabilities in the Relevant Currency.

35.2 Receipt in wrong currency

If at any time the Beneficiary receives a payment (including by set-off) referable to any of the Secured Liabilities from any source in a currency other than the Relevant Currency, then that payment will take effect as a payment to the Beneficiary of the amount in the Relevant Currency which the Beneficiary is able to purchase (after deduction of any relevant costs) with the amount of the payment so received at the spot rate of exchange available to the Beneficiary for such purchase for such purchase in the London interbank market at or about 11:00 a.m. on that date.

35.3 Currency indemnity

35.3.1 If any sum due from any Chargor under this Deed (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which the Sum is payable into another currency (the "**Second Currency**") for the purposes of:

- (a) making or filing a claim against any Chargor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

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

35.3.2 Each Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than in which it is expressed to be payable.

36 PAYMENTS TO BE MADE WITHOUT DEDUCTION

36.1 No deductions

All sums payable by the Chargors under this Deed shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Beneficiary may designate. All such payments shall be made in full

without set-off of any sum owing by the Beneficiary to any Chargor or counterclaim and free and clear of any deductions of or withholding for or on account of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.

36.2 Grossing-up

If at any time a Chargor is required by law to make any deduction or withholding from any payment due from that Chargor to the Beneficiary, that Chargor shall simultaneously pay to the Beneficiary whatever additional amount is necessary to ensure that the Beneficiary receives a net sum equal to the payment it would have received had no deduction or withholding been made.

37 CETIFICATES AND DETERMINATIONS

A certificate or determination by the Beneficiary or a Receiver of a rate or an amount for the time being due under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

38 ASSIGNMENT AND TRANSFER

38.1 Chargor consents to assignment/transfer by Beneficiary

Each Chargor consents to the assignment and/or transfer by the Beneficiary of any one or more of its rights and/or obligations under this Deed. The Beneficiary may, without consulting with or obtaining consent from any Chargor at any time charge, assign or otherwise create Security in or over its rights, benefits and interests under this Deed to secure any obligations of any Secured Party.

38.2 No assignment/transfer by Chargor

The Chargors may not assign or transfer any one or more of its rights and/or obligations under this Deed.

38.3 Confidentiality

The Beneficiary shall be entitled to disclose any information concerning the Chargors, the Security Assets and this Deed as it considers appropriate to:

- 38.3.1 any person proposing to take an assignment and/or transfer from the Beneficiary;
- 38.3.2 any person proposing to enter into contractual relations with the Beneficiary with respect to this Deed; and
- 38.3.3 any person to whom information may be required to be disclosed by an applicable law.

39 INDEMNITY TO THE BENEFICIARY AND THE RECEIVER

39.1 The Chargors shall promptly on demand indemnify the Beneficiary and every Receiver and Delegate against all costs, losses and liabilities incurred by any of them as a result of or in connection with:

- 39.1.1 any failure by any Chargor to comply with its obligations under Clause 40 (Costs and expenses);
- 39.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- 39.1.3 the taking, holding, protection, perfection, preservation or enforcement (or the attempt to do so) of the Security constituted under this Deed;
- 39.1.4 the exercise or purported exercise of any of the rights, powers, authorities, discretions and remedies vested in them by this Deed or by law;
- 39.1.5 any default or delay by any Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
- 39.1.6 instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; or
- 39.1.7 acting as Beneficiary, Receiver or Delegate under this Deed,

or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of the relevant Beneficiary's, Receiver's or Delegate's gross negligence or wilful misconduct).

40 COSTS AND EXPENSES

40.1 Transaction expenses

The Chargors shall promptly on demand pay the Beneficiary on a full indemnity basis the amount of all costs and expenses (including legal fees) incurred by the Beneficiary in connection with:

- 40.1.1 the negotiation, preparation, printing, execution, and perfection of this Deed, any other documents referred to in this Deed and this Security; and
- 40.1.2 an amendment, waiver or consent in connection with this Deed.

40.2 Enforcement and preservation costs

The Chargors shall, within three Business Days of demand, pay to each Secured Party on a full indemnity basis the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under this Deed and any proceedings instituted by or against any Secured Party as a consequence of taking or holding this Security or enforcing these rights.

41 MISCELLANEOUS

41.1 Variations

No variation of the terms of this Deed shall be valid unless such variation is in writing and signed by the Chargors and the Beneficiary.

41.2 Third party rights

41.2.1 Other than the Secured Parties a person who is not a Party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.

41.2.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

41.2.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to Clause 41.2.2 above and the provisions of the Third Parties Act.

41.3 Perpetuity period

The trusts created by this Deed have a perpetuity period of 125 years.

41.4 Counterparts

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

41.5 Illegality and compliance with law

No provision of this Deed shall oblige the Beneficiary to take any steps which:

41.5.1 may be illegal or contrary to applicable law or regulation; or

41.5.2 it expects will result in any expense or liability accruing to it, the payment of which is not, in its sole opinion, assured to it or it is not indemnified and/or secured and/or prefunded to its satisfaction against such liability.

The Beneficiary shall be entitled to take any action or to refuse to take any action which the Beneficiary regards as necessary for the Beneficiary to comply with any applicable law, regulation or fiscal requirement.

42 JOINT AND SEVERAL LIABILITY

42.1 Each Chargor shall be jointly and severally liable under this Deed.

42.2 The Beneficiary may take any action against or release or compromise the liability of any Chargor without affecting the liability of any other Chargor.

43 NOTICES

43.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

43.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

43.2.1 in the case of the Beneficiary, that identified by its name below; and

43.2.2 in the case of the Chargors, that identified by the relevant name below,

or any substitute address fax number or department or officer as the Chargors may notify to the Beneficiary (or the Beneficiary may notify to the Chargors, if a change is made by the Beneficiary) by not less than five Business Days' notice.

43.3 Delivery

43.3.1 Any communication or document made or delivered by the Beneficiary to the Chargors under or in connection with this Deed shall only be effective:

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to the relevant party at that address,

and, in the case of the Beneficiary, if a particular department or officer is specified as part of its address details provided under Clause 43.2 (*Addresses*), if addressed to that department or officer.

43.3.2 Any communication or document to be made or delivered to the Beneficiary will be effective only when actually received by the Beneficiary and then only if it is expressly marked for the attention of the department or officer identified with the Beneficiary's signature below (or any substitute department or officer as the Beneficiary shall specify for this purpose).

43.3.3 Any communication or document which becomes effective, in accordance with Clauses 43.3.1 and 43.3.2 above after 5.00pm in the place of receipt shall be deemed only to become effective on the following day.

44 GOVERNING LAW AND JURISDICTION

44.1 Governing law

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

44.2 Jurisdiction of English courts

44.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").

44.2.2 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.

THIS DEED IS EXECUTED AS A DEED BY THE CHARGOR AND IS SIGNED FOR AND ON BEHALF OF THE BENEFICIARY AND IS DELIVERED AND TAKES EFFECT ON THE DATE AT THE BEGINNING OF THIS DEED.

SCHEDULE 1
- ADDITIONAL POWERS OF RECEIVER

A Receiver shall have the following additional rights, powers and discretions:

1 POSSESSION

A Receiver may take immediate possession of, get in and collect the Security Assets or any part thereof.

2 CARRY ON BUSINESS

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the whole or any part of the business of any Chargor as he in his discretion may think fit.

3 PROTECTION OF ASSETS

A Receiver may:

- 3.1.1 manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, substitute, refurbish, renew or add to the Security Assets (and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset) or concur in so doing;
- 3.1.2 commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on any Real Property; and/or
- 3.1.3 apply for and maintain any planning permissions, development consents, building regulation approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

4 EMPLOYEES

A Receiver may:

- 4.1 appoint and discharge any managers, officers, agents, accountants, servants, contractors, workmen and other personnel and professional advisers for the purposes of this Deed upon such terms and conditions as to remuneration or otherwise as he thinks fit; and/or
- 4.2 discharge any person appointed by any Chargor.

5 SALE OF ASSETS

A Receiver may:

- 5.1 sell, assign, 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 thinks fit. The consideration for the sale of any Security Asset may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which the Receiver thinks fit; and/or
- 5.2 sever fixtures (other than landlord's fixtures) and sell these separately from the property containing them without the consent of any Chargor.

6 LET, HIRE OR LEASE

A Receiver may:

- 6.1 let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- 6.2 grant rights, options or easements over and otherwise deal with or dispose of and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets; and
- 6.3 exchange or concur in exchanging the Security Assets,

in each such case in such manner and generally on such terms and conditions as he may in discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the relevant Chargor or otherwise.

7 VAT ELECTIONS

A Receiver may make, exercise or revoke any value added tax option to tax as he thinks fit.

8 REGISTRATION

A Receiver may use any Chargor's name to effect any registration or election for tax or other purposes.

9 INSURANCES

A Receiver may effect, review or vary insurances.

10 BORROWING

A Receiver may, for any purpose, raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to this Security or otherwise, and generally on such terms as he in his discretion may think fit. No

person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.

11 MAKE CALLS

A Receiver may make, or require the directors of a Chargor to make, such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of that Chargor or the Receiver as the Receiver in his discretion may think fit) or otherwise.

12 COMPROMISE, LEGAL ACTION AND MEDIATION

A Receiver may:

- 12.1 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 a Chargor or relating in any way to any Security Asset;
- 12.2 bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit; and/or
- 12.3 refer to mediation any question in relation to any Security Asset that he thinks fit.

13 SUBSIDIARIES

A Receiver may:

- 13.1 form, or promote the formation of, any subsidiary of a Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- 13.2 arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and/or
- 13.3 arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit.

14 RECEIPTS

A Receiver may give valid receipts for any monies and execute any assurances and things which he in his discretion may think proper or desirable for realising any of the Security Assets.

**SCHEDULE 2
- MORTGAGED PROPERTY**

Part 1

Registered Land

Description of Property	Title Number
the University of Bolton Stadium, Burden Way, Horwich, Bolton BLG 6JW;	GM737515
the freehold land on the north side of Hall Lane, Lostock, Bolton;	MAN98363
the freehold land and building on the east side of Lostock Lane, Lostock, Bolton;	MAN98364
Logo Shop, 2 The Linkway, Middlebrook Leisure Park, Horwich	GM775859
Ticket Office, 1 The Linkway, Middlebrook Leisure Park, Horwich	GM775861
Overspill Car Park, land on the south west side of Burden Way, Horwich	GM809366
Land lying to the South East of Edgmond Avenue, Tyburn, Birmingham	WM342523
Land and buildings on the East Side of Sadler Road, Brownhills, Walsall	WM412509

Part 2

Unregistered Land

1 **[Name of Chargor]**

The freehold/leasehold property known as [] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

15 **ENVIRONMENT**

A Receiver may conduct and complete all investigations studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Beneficiary or otherwise and comply with all lawful orders and directives relating to Environmental Law.

16 **DELEGATION**

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

17 **LENDING**

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

18 **REDEEM PRIOR SECURITY**

A Receiver may redeem any prior Security and settle and pass the accounts to which that prior Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on any Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

19 **OTHER POWERS**

A Receiver may:

- 19.1 do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers, remedies or discretions conferred on the Beneficiary or any Receiver under or by virtue of this Deed or by law;
- 19.2 exercise every power which the Receiver in its absolute discretion considers desirable for maintaining or enhancing the value of the Security Assets or in connection with the enforcement of this Security or the realisation of any Security Asset;
- 19.3 exercise in relation to any Security Asset all the powers, authorities and rights which he would be capable of exercising, and do all those acts and things he would be able to do, if he were the absolute legal and beneficial owner of that Security Asset;
- 19.4 any other acts and things it lawfully may do as agent for the Chargors; and/or
- 19.5 use the name of the Chargors for any of the purposes set out in Clause 20 (*Powers of Receiver*) or this Schedule 1.

2 [Name of Chargor]

The freehold/leasehold property known as [] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

SCHEDULE 3
- SHARES

Chargor	Name of Company	Description of Shares (class and nominal value)	Number of Shares
Football Ventures (Whites) Limited	FWWL Football Limited	Ordinary (£1)	100
Football Ventures (Whites) Limited	FWWL Hotel Limited	Ordinary (£1)	1
FWWL Football Limited	Bolton Sporting Ventures Limited	Ordinary (£1)	7
FWWL Football Limited	Bolton Sports Village Limited	Ordinary (£1)	2

SCHEDULE 4
- ASSIGNED CONTRACTS

Each of the following contracts assigned to FVWL Football Limited:

- 1 The lease of the catering, conference and banqueting areas of the Stadium dated 29 January 2016 between (1) the Club and (2) Whites;
- 2 The benefit of the deed relating to the usage of the Stadium exhibition hall dated 5 December 2000 between (1) The Borough Council of Bolton, (2) Village, (3) the Club and (4) Whites;
- 3 The benefit of the catering agreement dated 24 May 1999 between (1) the Club and (2) Whites;
- 4 The sponsorship agreement dated on or around 25 July 2018 between (1) the Club and (2) The University of Bolton;
- 5 The sponsorship agreement dated 26th October 2016 (as varied on 15th February 2017) between (1) the Club and (2) Nationwide Franking Sense Ltd;
- 6 The sponsorship agreement dated 8th November 2018 between (1) the Club and (2) Stadia Utilities Limited;
- 7 The hire purchase agreement dated 8th August 2017 between (1) the Club and (2) PEAC (UK) Limited;
- 8 any contracts between the Club and football players.

SCHEDULE 5
- INSURANCE POLICIES

SCHEDULE 6
- FORM OF LEGAL MORTGAGE

THIS DEED is dated [] between:

[INSERT THE RELEVANT CHARGOR FROM THE OPTIONS BELOW]

- (1) [FVWL FOOTBALL LIMITED incorporated and registered in England and Wales with company number 12090433 whose registered office is at 180 Great Portland Street, London W1W 5QZ (the "Chargor"); and]
- (2) [FOOTBALL VENTURES (WHITES) LIMITED incorporated and registered in England and Wales with company number 11761052 whose registered office is also at 180 Great Portland Street, London W1W 5QZ (the "Chargor"); and]
- (3) [BOLTON SPORTING VENTURES LIMITED incorporated and registered in England and Wales with company number 03225433 whose registered office is at University of Bolton Stadium, Burnden Way, Lostock, Bolton, England BL6 6JW (the "Chargor"); and]
- (4) [BOLTON SPORTS VILLAGE LIMITED incorporated and registered in England and Wales with company number 03025835 whose registered office is also at University of Bolton Stadium, Burnden Way, Lostock, Bolton, England BL6 6JW (the "Chargor"); and]
- (5) **FILDRAW LIMITED** a company incorporated in the British Virgin Islands whose registered office is at P.O. Box 3140, Wickhams Cay 1, Road Town, Tortola VG1110, British Virgin Islands, with company number 1552697 (the "**Beneficiary**").

BACKGROUND

The Chargor enters into this Deed in connection with the Settlement Agreement (as defined below).

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Debenture	means the debenture dated [] granted by the Chargor in favour of the Beneficiary;
Settlement Agreement	means the agreement dated [INSERT DATE] between[, amongst others] [INSERT NAME OF BORROWER] and the Beneficiary;
Mortgaged Property	means any freehold, leasehold or immovable property specified in the Schedule 2 (<i>Mortgaged Property</i>).

2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Debenture has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 The provisions of clauses 2.2.1 to 2.2.13 (inclusive), clause 2.3 to 2.9 (inclusive), clause 2.11 to 2.13, clauses 5 and 6, and clauses 17 to 43 (inclusive) of the Debenture are incorporated into this Deed as if set out in this Deed in full (with the necessary modifications) except that references in those clauses to the Debenture shall be construed as references to this Deed and all references in those clauses to Security Assets shall be construed as references to the Mortgaged Property.

3 UNDERTAKING TO PAY

The Chargor covenants with the Beneficiary, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

- 4.1 All Security created under this Deed:
- 4.1.1 is created in favour of the Beneficiary;
 - 4.1.2 is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and
 - 4.1.3 is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 4.2 Subject to Clause 32 (*Release of Security*) of the Debenture, the Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any settlement of account, intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.
- 4.3 The Chargor charges by way of first legal mortgage all estates and interests in each Mortgaged Property and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use any of the Mortgaged Property.

5 APPLICATION TO THE LAND REGISTRY

The Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate , or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Fildraw Limited referred to in the charges register or their conveyancer".

6 MISCELLANEOUS

6.1 Third party rights

6.1.1 Other than the Secured Parties a person who is not a party to this Deed has no rights 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.

6.1.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

6.1.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to Clause 6.1.2 above and the provisions of the Third Parties Act.

6.2 Finance Document

This Deed is designated as a Finance Document.

7 COUNTERPARTS

This Deed may be executed in a number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

8 GOVERNING LAW AND JURISDICTION

8.1 Governing law

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

8.2 Jurisdiction of English courts

8.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

8.2.2 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.

8.2.3 Notwithstanding Clause 8.2.1 above, the Beneficiary shall not be prevented from taking proceedings relating to a Dispute in any other courts with

jurisdiction. To the extent allowed by law, the Beneficiary may take concurrent proceedings in any number of jurisdictions.

9 [SERVICE OF PROCESS]

9.1 Without prejudice to any other mode of service allowed under any relevant law, the Chargor:

9.1.1 irrevocably appoints [●] as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed; and

9.1.2 agrees that failure by a process agent to notify the Chargor of the process will not invalidate the proceedings concerned.

9.2 If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Chargor must immediately (and in any event within [●] days of such event taking place) appoint another agent on terms acceptable to the Beneficiary. Failing this the Beneficiary may appoint another agent for this purpose.

THIS DEED IS EXECUTED AS A DEED BY THE CHARGOR AND IS SIGNED FOR AND ON BEHALF OF THE BENEFICIARY AND IS DELIVERED AND TAKES EFFECT ON THE DATE STATED AT THE BEGINNING OF THIS DEED.

EXECUTION PAGES TO THE LEGAL MORTGAGE

CHARGOR

EXECUTED AS A DEED by FVWL)
FOOTBALL LIMITED by _____)
and _____ ;)

Director

Director/Secretary

Addresses for notices

Address for Notices: [•]

Fax No: [•]

Attention of: [The Directors]

BENEFICIARY

EXECUTED AS A DEED by FILDRAW)
LIMITED, a company incorporated in the)
British Virgin Islands, acting by _____ and)
_____ who, in accordance with the laws)
of that territory, are acting under the)
authority of the company)

[Signature of authorised signatory]

Signature in the name of the company:

Signature of [Authorised Signatory 1]

[Authorised Signatory]

Signature of [Authorised Signatory 2]

[Authorised Signatory]

Addresses for notices

Address for Notices: [•]

Fax No: [•]

Attention of: Charles Russell Speechlys LLP

SCHEDULE 1

Mortgaged Property¹

Part 1

Registered Land

**County and
District/London Borough**

Description of Property

Title Number

Part 2

Unregistered Land

1 [NAME OF CHARGOR]

The freehold/leasehold property known as [] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

2 [NAME OF CHARGOR]

The freehold/leasehold property known as [] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

¹ The Property listed must be owned by the Chargor at the time the Legal Mortgage is entered into.

SCHEDULE 7
- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR TENANT

Part 1

Form of Notice to Tenant

[On the Letterhead of the Chargor]

To: [The Tenant]
[Address of Unit]

Copy to: []
(as Beneficiary)

Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between [] (the "Chargor") and [] (the "Beneficiary")

This letter constitutes notice to you that pursuant to the Debenture we have [assigned to / charged (by way of first fixed charge) in favour of] the Beneficiary all our present and future rights under or in connection with the lease between you and us [*insert details of lease*] (the "**Lease**") (including our rights to the Rental Income (as defined in the Debenture)) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Lease, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Lease, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Lease; and
- (b) all rights, interests and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Lease.

We irrevocably authorise and instruct you to:

- 1 disclose to the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Lease as the Beneficiary may at any time request;
- 2 deal only with us in relation to the Lease unless and until you receive written instructions from the Beneficiary to the contrary;

- 3 pay to us all sums from time to time due and payable by you under the Lease to us, until such time as you receive notice from the Beneficiary instructing you otherwise (the "Instruction Notice") following which you shall comply with all instructions contained in such Instruction Notice or in any subsequent notice or instructions relating to the Lease or the debts represented by such Lease which you receive from the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for or validity of such notice or instruction); and
- 4 send copies of all notices and communications relating to the Lease to the Beneficiary as well as to us.

We further instruct you that upon receipt of notice from the Beneficiary that an Event of Default has occurred and is continuing:

- 1 all remedies provided for in the Lease or available at law or in equity are exercisable by the Beneficiary (provided that the Beneficiary shall have no greater rights under this notice than we have under the Lease);
- 2 all rights to compel performance of the Lease are exercisable by the Beneficiary although the Chargor shall remain liable to perform all of the obligations assumed by it under the Lease; and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising from the Lease belong to the Beneficiary to the exclusion of the Chargor.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Lease and that neither the Beneficiary, any Receiver nor any of their agents will at any time have any obligation or liability to you under or in respect of the Lease.

We are not permitted to agree any amendment or supplement to, or to waive any term of the Lease, or to terminate the Lease or to allow it to lapse other than where the Lease expires in accordance with its terms and not by reason of default without the prior written consent of the Beneficiary.

The instructions in this notice may not be revoked or amended without the prior written consent of the Beneficiary.

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

Please confirm your agreement to the above by sending the attached acknowledgement to [*identify Beneficiary officer*] at [*insert address details of Beneficiary*] with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of [*insert details of the chargor*]

Part 2 -
Form of Acknowledgement from Tenant

[On the letterhead of the Tenant]

To: [Beneficiary]

Copy to: [Chargor details]

Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between [] (the "Chargor") and [] (the "Beneficiary")

We confirm receipt from the Chargor of a notice dated [] (the "Notice") of [an assignment/a first fixed charge], pursuant to the terms of the Debenture, of all the Chargor's present and future rights under or in connection with the lease between you and us [*insert details of lease*] (the "Lease") (including the Chargor's rights to the Rental Income (as defined in the Debenture)) and all Related Rights (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and we undertake to act in accordance with and comply with the terms of the Notice;
- 2 we have not received notice of the creation of any other assignment of or security over rights or proceeds arising under the Lease in favour of any third party or the creation of any other third party interest in those rights or proceeds, or any third party claim, demand or action in respect of those rights and proceeds, and we will notify you promptly should we receive any such notice;
- 3 we have not claimed or exercised nor do we have any outstanding right to claim or exercise against the Chargor any right of set-off, counter claim or other right relating to the Lease;
- 4 we agree that no term of the Lease may be amended, supplemented or waived without your prior written consent; and
- 5 we agree that the Lease may not be terminated without your prior written consent.

All terms used in this acknowledgement have the same meaning as in the Notice.

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

Yours faithfully

.....
For and on behalf of *[Name of Tenant]*

SCHEDULE 8
FORM OF NOTICE TO ACCOUNT BANK

[On the Letterhead of the Chargor]

To: [name and address of third party bank]

Attention: []

Copy to: [Beneficiary details]

Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between [] (the "Chargor") and [] (the "Beneficiary")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to/charged (by way of first fixed charge) in favour of] the Beneficiary all our present and future rights and interest in and to account number(s) *[insert details of accounts charged]* in our name (the "Charged Account(s)") together with all money from time to time standing to the credit of those Charged Account(s), all interest accruing in relation to such Charged Account(s) and all Related Rights.

In this notice, "Related Rights" means, in respect of each Charged Account, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to that Charged Account, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Charged Account; and
- (a) all rights, interests and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of that Charged Account.

We hereby irrevocably authorise and instruct you to:

- 1 disclose to the Beneficiary on request to you by the Beneficiary, without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Charged Account(s) and the sums in the Charged Account(s) as the Beneficiary may from time to time request;
- 2 credit to each Charged Account all interest from time to time earned on the sums of money held in that Charged Account;

- 3 operate each Charged Account in accordance with the existing account mandate(s) until you have been given a notice that an Event of Default has occurred and is continuing ("Default Notice");
- 4 comply with the written directions of the Beneficiary in relation to the Charged Account following receipt by you of a Default Notice. For the avoidance of doubt, upon receipt of a Default Notice you should only permit monies to be drawn on or debited to the Charged Account in accordance with the written directions of the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification of such directions or instructions or the validity of them);
- 5 debit the Charged Account with your costs and charges in connection with the opening, maintenance and operation of each Charged Account both before and after receipt by you of a Default Notice;
- 6 exercise any right of combination, consolidation, merger or set off which you may have in respect of any monies standing or accruing to the credit of the Charged Account up until the time that you receive a Default Notice; and
- 7 send copies of all notices and communications relating to the Charged Account(s) to the Beneficiary as well as to us.

Please note that we are and will remain liable to perform all the obligations assumed by us under any mandate or other agreement relating to the Charged Account(s) and that neither the Beneficiary, any Receiver nor any of their agents nor any other person will at any time have any obligation or liability to you regarding the Charged Account(s).

We are not permitted, without the Beneficiary's prior written consent, to permit or agree to any variation of the terms and conditions relating to the Charged Account(s) or to close the Charged Account(s).

The instructions in this notice may not be revoked or varied without the prior written consent of the Beneficiary.

We acknowledge that you may comply with the instructions in this notice without any further permission from us.

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

Please confirm your agreement to the above by sending the attached acknowledgement to *[identify Beneficiary officer]* at *[insert address details of Beneficiary]* with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of *[insert details of the chargor]*

Part 2

Form of Acknowledgement from Account Bank

[On the letterhead of the Account Bank]

To: [Beneficiary]
Attention: []
Copy to: [Chargor details]
Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between [] (the "Chargor") and [] (the "Beneficiary")

We confirm receipt from the Chargor of a notice dated [] (the "Notice") of the creation of [an assignment/a first fixed charge], pursuant to the terms of the Debenture, of all the Chargor's present and future rights and interest in and to account number(s) *[insert details of accounts charged]* held with us in the name of [the Chargor] (the "Blocked Account(s)") together with all money from time to time standing to the credit of those Blocked Account(s), all interest accruing in relation to such Blocked Account(s) and all Related Rights (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to comply with the terms of the Notice;
- 2 we have not received notice of the creation of any other assignment of or security over the Charged Account(s) or of the creation of any third party interest in the Charged Account(s) or in the sums of monies held in the Charged Account(s) or the debts represented by those sums, or any third party claim, demand or action in respect of any Charged Account or those sums or debts, and we will notify you promptly should we receive any such notice;
- 3 upon receipt of a Default Notice from you, we shall not exercise or seek to assert or exercise any right of combination, consolidation, merger, counterclaim or set off which we may have in respect of any monies standing or accruing to the credit of any Charged Account; and

- 4 we will not amend the terms or conditions upon which any Charged Account is operated or close any Charged Account without your prior written consent.

All terms used in this acknowledgement have the same meaning as in the Notice.

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

Yours faithfully

.....
for and on behalf of
[third party bank]

SCHEDULE 9
- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR COUNTERPARTY

Part 1

Form of Notice to Counterparty

[On the letterhead of the Chargor]

To: [Contract counterparty]

Copy to: [Beneficiary details]

Date: []

Dear Sirs

Debenture dated [] between [] (the "Chargor") and [] (the "Beneficiary") (the "Debenture")

This letter constitutes notice to you that pursuant to the Debenture we have [assigned to / charged (by way of first fixed charge) in favour of] the Beneficiary all our present and future rights under or in connection with [*insert details of Contract*] (the "**Contract**") (including under any guarantee, warranty or indemnity granted in relation to the Contract) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Contract, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Contract, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Contract; and
- (b) all rights, interests and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Contract.

We irrevocably authorise and instruct you to:

- 1 disclose to the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Contract as the Beneficiary may at any time request;
- 2 deal with us in relation to the Contracts;
- 3 pay to us all sums from time to time due and payable by you under the Contract, until such time as you receive notice from the Beneficiary instructing you otherwise (an "**Instruction Notice**") following which you shall comply with all instructions contained

in such Instruction Notice or in any subsequent notice or instructions relating to the Contract or the debts represented by such Contract which you receive from the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for or validity of such notice or instruction);] and

- 4 send copies of all notices and communications relating to the Contract to the Beneficiary as well as to us.

We further instruct you that upon receipt of notice from the Beneficiary that an Event of Default has occurred:

- 1 all remedies provided for in the Contract or available at law or in equity, are exercisable by the Beneficiary (provided that the Beneficiary shall have no greater rights under this notice than we have under the Contract);
- 2 all rights to compel performance of the Contract are exercisable by the Beneficiary although the Chargor shall remain liable to perform all of the obligations assumed by it under the Contract; and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising from the Contract belong to the Beneficiary to the exclusion of the Chargor.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Contract and that neither the Beneficiary, any Receiver nor any of their agents nor any other person will at any time have any obligation or liability to you under or in respect of the Contract.

We are not permitted to agree any amendment or supplement to, or to waive any term of the Contract, or to terminate the Contract or to allow it to lapse other than where the Contract expires in accordance with its terms and not by reason of default without the prior written consent of the Beneficiary.

The instructions in this notice may not be revoked or amended without the prior written consent of the Beneficiary.

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

Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Beneficiary officer]** at **[insert address details of Beneficiary]**, with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of **[insert details of the chargor]**

Part 2

Form of Acknowledgement from Counterparty

[On the letterhead of the Counterparty]

To: [Beneficiary]

[Address]

Copy: [Chargor]

Date: []

Dear Sirs

Debenture dated [] between [] (the "Chargor") and [] (the "Beneficiary") (the "Debenture")

We confirm receipt from the Chargor of a notice dated [] (the "Notice") of [an assignment/a first fixed charge], pursuant to the terms of the Debenture, of all the Chargor's present and future rights under or in connection with *[insert details of Contract]* (the "Contract") (including under any guarantee, warranty or indemnity granted in relation to the Contract) and all Related Rights (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and we undertake to act in accordance with and comply with the terms of the Notice;
- 2 there has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract;
- 3 we have not received notice of the creation of any other assignment of or security over rights or proceeds arising under the Contract in favour of any third party or the creation of any other third party interest in those rights or proceeds, or any third party claim, demand or action in respect of those rights and proceeds, and we will notify you promptly should we receive any such notice;
- 4 we have not claimed or exercised nor do we have any outstanding right to claim or exercise against the Chargor any right of set-off, counter claim or other right relating to the Contract; and

- 5 we agree that no term of the Contract may be amended, supplemented or waived without your prior written consent;
- 6 we agree that the Contract may not be terminated or allowed to lapse [other than where the Contract expires in accordance with its terms and not by reason of default] without your prior written consent.

All terms used in this acknowledgement have the same meaning as in the Notice.

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

Yours faithfully

.....
For and on behalf of [*insert name of counterparty*]

SCHEDULE 10
- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR INSURER

Part 1

Form of Notice to Insurer

[On the letterhead of the Chargor]

To: [insert name and address of Insurer]

Copy to: [Beneficiary details]

Date: []

Dear Sirs

Debenture dated [] between [] (the "Chargor") and [] (the "Beneficiary") (the "Debenture")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to / charged (by way of first fixed charge) in favour of] the Beneficiary all amounts payable to us under or in connection with the following policies [*Insert description of Insurances*] (the "Policies"), all our rights in connection with those amounts and/or the Policies and all Related Rights.

In this notice, "Related Rights" means, in respect of the Policies, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Policies, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Policy; and
- (b) all rights, interests and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Policies.

We irrevocably authorise and instruct you to:

- 1 disclose to the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Policies as the Beneficiary may at any time request;
- 2 hold all sums from time to time due and payable by you to us under the Policies to the order of the Beneficiary;

- 3 pay any sums from time to time due and payable by you under the Policies to the Beneficiary [to the following account: *[insert account details]* or] in accordance with any written instructions given to you by the Beneficiary from time to time;
- 4 comply with the terms of any written notice or instructions relating to the Policies which you receive from the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for or validity of such notice or instruction); and
- 5 send copies of all notices issued under the Policies to the Beneficiary as well as to us.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Policies and that neither the Beneficiary, any Receiver nor any of their agents nor any other person will have any obligation or liability to you under the Policies.

We are not permitted to agree any amendment or supplement to or to waive any term of the Policies or to terminate any Policy without the prior written consent of the Beneficiary.

The instructions in this notice cannot be revoked or amended without the prior written consent of the Beneficiary.

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

Please confirm your agreement to the above by sending the attached acknowledgement to *[identify Beneficiary officer]* at *[insert address details of Beneficiary]*, with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of *[insert details of the chargor]*

Part 2

Form of Acknowledgement from Insurer

[On the letterhead of the Insurer]

To: [Beneficiary]

[Address]

Copy: [Chargor]

Date: []

Dear Sirs

Debenture dated [] between [] (the "Chargor") and [] (the "Beneficiary") (the "Debenture")

We acknowledge receipt from the Chargor of a notice dated [] (the "Notice") of an assignment, pursuant to the terms of the Debenture, of all amounts payable to the Chargor under or in connection with the Policies (as defined in the Notice), all the Chargor's rights in connection with those amounts and/or the Policies, and all Related Rights (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to act in accordance with and comply with the terms of the Notice;
- 2 we will not terminate or otherwise allow any of the Policies to lapse without giving you at least 30 days' prior written notice;
- 3 there has been no amendment, waiver or release of any rights or interests in the Policies since the date(s) on which the Policies were issued;
- 4 we have not received notice of the creation of any other assignment of or any security over rights or proceeds arising under the Policies in favour of any third party or the creation of any other third party interest in those rights or proceeds, or any third party claim, demand or action in respect of those rights and proceeds, and we will notify you promptly should we receive any such notice;
- 5 we will notify you, the Beneficiary, at least 30 days before the Policy is due to expire, if we have not received the Chargor's renewal instructions in relation to such Policy;

- 6 we agree that no term of the Policies may be amended, supplemented or waived without your prior written consent;
- 7 we agree to notify you if the Chargor breaches the terms of any Policy or otherwise gives us grounds to declare any Policy void or voidable and, where the breach is capable of being remedied, to allow you or your agents to remedy the relevant breach; and
- 8 we have not claimed or exercised, and have no outstanding right to claim or exercise, any right of set-off or counterclaim, or other right, in relation to any sum paid or payable under the Policy.

All terms used in this acknowledgement have the same meaning as in the Notice.

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

Yours faithfully

.....
For and on behalf of
[Name of insurance company]

EXECUTION PAGES

CHARGORS

EXECUTED AS A DEED by FWFL)
FOOTBALL LIMITED by a director in the
presence of:)
)

Director

Signature of Witness:

Name:

Address:

Occupation:

Addresses for notices

Address for Notices: 180 Great Portland Street, London W1W 5QZ

Fax No: N/A

Attention of: The Directors

[EXECUTED AS A DEED by FOOTBALL)
VENTURES (WHITES) LIMITED by a director
in the presence of:

Director

Signature of Witness:

Name:

Address:

Occupation:

RICHARD GEE

DIRECTOR

Addresses for notices

Address for Notices: 180 Great Portland Street, London W1W 5QZ

Fax No: N/A

Attention of: The Directors

EXECUTED AS A DEED by BOLTON)
SPORTING VENTURES LIMITED by a)
director in the presence of:)

Director

Signature of Witness:

Name:

Address:

Occupation:

RICHARD GEE.

DIRECTOR.

Addresses for notices

Address for Notices: 180 Great Portland Street, London W1W 5QZ

Fax No: N/A

Attention of: The Directors

EXECUTED AS A DEED by BOLTON)
SPORTS VILLAGE LIMITED by a director in
the presence of:)

Director

Signature of Witness:

Name:

Address:

RICHARD GEE

DIRECTOR

Occupation:

Addresses for notices

Address for Notices: 180 Great Portland Street, London W1W 5QZ

Fax No: N/A

Attention of: The Directors

BENEFICIARY

EXECUTED AS A DEED by FILDRAW)
LIMITED, a company incorporated in the)
British Virgin Islands, acting by _____ and)
_____ who, in accordance with the laws)
of that territory, are acting under the)
authority of the company)

Signature in the name of the company:

FILDRAW LIMITED

Signature in the name of

Signature in the name of

Addresses for notices

Address for Notices:

Fax No: N/A

Attention of: The Directors

EXECUTION VERSION

DATED

28 August

2019

- (1) FVWL FOOTBALL LIMITED
- (2) FOOTBALL VENTURES (WHITES) LIMITED
- (3) BOLTON SPORTING VENTURES LIMITED
- (4) BOLTON ~~SPORTING~~ VILLAGE LIMITED
SPORTS
(as Chargors)
- and
- (5) FILDRAW LIMITED
(as Beneficiary)

CRS LLP

DEBENTURE

I certify that save for material redacted pursuant
to section 859G of the Companies Act 2006,
this copy is a correct copy of the original instrument.

Signed: Charles Russell Speechlys LLP

Dated: 3/09/2019

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THIS DEED is made on

28 August

2019

BETWEEN:

- (1) **FVWL FOOTBALL LIMITED** incorporated and registered in England and Wales with company number 12090433 whose registered office is at 180 Great Portland Street, London W1W 5QZ ("**FVWL Football**");
 - (2) **FOOTBALL VENTURES (WHITES) LIMITED** incorporated and registered in England and Wales with company number 11761052 whose registered office is also at 180 Great Portland Street, London W1W 5QZ ("**Whites**");
 - (3) **BOLTON SPORTING VENTURES LIMITED** incorporated and registered in England and Wales with company number 03225433 whose registered office is at University of Bolton Stadium, Burnden Way, Lostock, Bolton, England BL6 6JW ("**Ventures**");
 - (4) **BOLTON SPORTS VILLAGE LIMITED** incorporated and registered in England and Wales with company number 03025835 whose registered office is also at University of Bolton Stadium, Burnden Way, Lostock, Bolton, England BL6 6JW ("**Village**");
- (each a "**Chargor**", and together, the "**Chargors**"); and
- (5) **FILDRAW LIMITED**, a company incorporated in the British Virgin Islands with registered number 1552697, whose registered office is at Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands VG1110 (the "**Beneficiary**").

WHEREAS:

- (A) FVWL Football is required to pay the Beneficiary certain amounts in accordance with the terms of the Settlement Agreement (as defined below).
- (B) It is a condition precedent to those loan facilities being made available that the Chargors enter into this Deed.

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

Account Bank means each bank, financial institution or other person with whom an Account is maintained;

Accounts means all accounts with any bank, financial institution or other person at any time owned or operated by each Chargor, all money from time to time standing to the credit of any of those accounts and all interest accruing in relation to them and the debt or debts represented by them;

Administrator means any administrator appointed in respect of each or any Chargor whether by the Beneficiary, a court or otherwise;

Assigned Contract means each of the contracts described in Schedule 4 (*Assigned Contracts*), and all guarantees, warranties and indemnities issued in relation to any Assigned Contract, and any other contract or agreement designated in writing as an "Assigned Contract" by the Beneficiary;

Authorisation means any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

Business Days means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

Chattels means all plant, machinery, vehicles, tools, computers, equipment, furniture and other chattels (excluding any for the time being forming part of each Chargor's stock in trade or work in progress) and any renewals or replacements of them together with the benefit of all warranties, guarantees, maintenance contracts, consents and licences relating to them;

Contracts means each of the contracts and agreements entered into by any of the Chargors (including, but not limited to, the Assigned Contracts) and all guarantees, warranties and indemnities issued in relation to any Contract;

Deed of Priority means a deed of priority entered into by various creditors including the Beneficiary, FVWL, Ventures and Village dated on or about the date of this Deed;

Default Rate is the rate that is due and payable under Clause 11 (*Default Interest*) of the Settlement Agreement;

Delegate means any delegate, agent, attorney or co-trustee appointed by the Beneficiary and/or any Receiver and/or any Delegate (as appropriate);

Discharge Date means the date on which the Beneficiary is satisfied that all the Secured Liabilities have been irrevocably discharged in full and no further Secured Liabilities are capable of arising;

Dividends means all dividends and distributions of any kind, interest and any other monies received or receivable in relation to any of the Shares;

Environment means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water);

Environmental Law means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;

- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste;

Event of Default has the meaning given to that term in the Settlement Agreement;

Finance Document means:

- (a) the Settlement Agreement;
- (b) this Deed; and
- (c) the Deed of Priority;

Football League Payment means the sum of approximately £820,000 which is paid by the Football League Limited to FVWL;

Insolvency Act means the Insolvency Act 1986;

Intellectual Property means:

- (a) the trademarks set out in Schedule 1 (*Intellectual Property*) together with all patents, trademarks, service marks, registered designs, inventions (whether or not capable of patent protection), the business and trade names, logos, know how and confidential information, copyright, get ups, unregistered design rights and drawings, domain names, (including but not limited to www.bwfc.com), all email systems and addresses and telephone numbers, database rights, trade secrets, moral rights and any other intellectual property or proprietary rights (including rights in computer software), in each case whether registered or unregistered and including applications for the registration or grant or rights to apply for registration or grant of any such rights and any and all forms of protection having equivalent or similar effect anywhere in the world including the right to sue for past infringements or misappropriation of the foregoing; and
- (b) the benefit of all applications, licences and rights to use the assets listed in paragraph (a) above.

Investments means the Shares and the Dividends;

Legal Mortgage means a charge by way of legal mortgage granted by any Chargor in favour of the Beneficiary and in the form of Schedule 6 (*Form of Legal Mortgage*) in respect of all or any part of the Real Property acquired by any Chargor after the date of this Deed;

LPA means the Law of Property Act 1925;

Monetary Claims means all book and other debts and monetary claims of any nature and however arising at any time owing to any Chargor or in which it has an interest

and all proceeds of those debts and claims together with the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same including but not limited to the Football League Payment;

Mortgaged Property means:

- (a) any freehold, leasehold or immovable property specified in Schedule 2 (*Mortgaged Property*) and any freehold, leasehold or immovable property specified in the schedule to any Legal Mortgage;
- (b) any buildings, erections, fixtures, fittings (including trade and tenant's fixtures, fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property listed in paragraph (a) above; and
- (c) the benefit of any covenants for title by any predecessor in title in respect of the property listed in paragraph (a) above or any monies paid or payable in respect of those covenants;

Party means a party to this Deed;

Planning Legislation means any legislation regulating the development or use of land or the erection and demolition of buildings and other structures on such land and all orders, regulations and permissions made, issued or granted under such legislation;

Policies means:

- (a) each of the insurance policies described in Schedule 5 (*Insurance Policies*);
- (b) each other insurance policy taken out at any time by or on behalf of each and any Chargor or in respect of which it has an interest or a right to claim; and
- (c) any other insurance policy designated as a "Policy" by the Beneficiary;

Real Property means:

- (a) the Mortgaged Property;
- (b) any other freehold, leasehold or immovable property in which any Chargor has an interest from time to time (including, for the avoidance of doubt, an option to purchase any property);
- (c) any buildings, erections, fixtures, fittings (including trade and tenant's fixtures, fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of the property listed in paragraphs (a) above and (b) above; and
- (d) the benefit of any covenants for title by any predecessor in title in respect of the property listed in paragraphs (a) and (b) above or any monies paid or payable in respect of those covenants;

Receiver means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets;

Regulations means the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226);

Related Rights means as regards any asset, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the asset, including sale proceeds and money paid by way of damages, award or judgment made in connection with that asset (including, without limitation, in relation to the Shares, all Dividends); and
- (b) all rights, interests and assets of each Chargor of any nature attaching to, deriving from that asset or exercisable as a result of each Chargor's interest in or ownership or operation of the asset;

Rental Income means the aggregate of all amounts paid or payable to or for the account of each Chargor in connection with the lettings, licence, grant of other rights of use or occupation of any part of any Real Property;

Relevant Currency means, in relation to each of the Secured Liabilities, the currency in which it is from time to time denominated;

Restrictions Notice means a "restrictions notice" as defined in paragraph 1(2) of Schedule 1(B) of the Companies Act 2006;

Secured Liabilities means all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity whatsoever) of each Chargor to any Secured Party under any Finance Document or otherwise (including, without limitation, those arising under Clause 25.1 (*Reinstatement*)), together with all interest (including, without limitation, default interest) accruing in respect of any of such monies, obligations and liabilities;

Secured Party means the Beneficiary, a Receiver or a Delegate;

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other Deed or arrangement having a similar effect;

Security Assets means all of the assets which from time to time are, or are expressed to be, subject to this Security;

Security Period means the period from the date of this Deed until the Discharge Date;

Settlement Agreement means the settlement deed dated on or about the date of this Deed between, amongst others, FVWL Football and the Beneficiary;

Shares means:

- (a) all shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, interests in collective investment schemes and all other securities and investments of any kind whatsoever (whether in certificated or uncertificated form) owned by each Chargor (or held by any nominee or trustee on its behalf) or in which it has an interest from time to time (including, but not limited to, the Shares (if any) listed in the Schedule to this Deed);
- (b) shares, stocks, debentures, bonds, any form of loan capital, warrants, coupons, securities, investments, money or other assets arising by way of conversion, exchange, substitution, rights issue, redemption, bonus, preference, option or otherwise in relation to any of the assets referred to in paragraph (a) above;
- (c) rights to subscribe for, purchase or otherwise acquire any of the assets referred to in paragraph (a) above through options, warrants or otherwise; and

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

Warning Notice means a "warning notice" as defined in paragraph 1(2) of Schedule 1(B) of the Companies Act 2006.

2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Settlement Agreement has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 Unless a contrary indication appears, a reference in this Deed to:
 - 2.2.1 this Deed, a "**Finance Document**" or any other agreement or instrument is a reference to this Deed or that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, replaced or restated (in each case, other than in breach of this Deed or any other Finance Document) from time to time;
 - 2.2.2 a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - 2.2.3 a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
 - 2.2.4 "**asset**" or "**assets**" includes present and future properties, revenues, interests and rights of every description;

- 2.2.5 "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;
- 2.2.6 a "Security Asset", "Accounts", "Chattels", "Contracts", "Dividends", "Intellectual Property", a "Lease", "Monetary Claims", "Policies", "Real Property" and a "Share" includes:
- (a) any part of that asset;
 - (b) any present and future assets of that type; and
 - (c) all Related Rights relating to assets of that type;
- 2.2.7 "this Security" means any Security created by or pursuant to this Deed;
- 2.2.8 "Secured Liabilities" is deemed to include a reference to any part of them;
- 2.2.9 the "Beneficiary", the "Chargor", any "Secured Party", or any "Party" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Beneficiary, any person for the time being appointed as Beneficiary or Beneficiaries in accordance with the Finance Documents;
- 2.2.10 a provision of law is a reference to that provision as amended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that provision of law;
- 2.2.11 the singular is deemed to include the plural and vice versa;
- 2.2.12 one gender is a reference to all other genders; and
- 2.2.13 a time of day is a reference to London time.
- 2.3 The term "Beneficiary" includes any subsidiary or group company or assignee of the Beneficiary granting or continuing to grant facilities or accommodation to the Chargors.
- 2.4 A reference to a "receiver" is a reference to a receiver of whatsoever nature including, without limitation, a receiver, a manager and an administrative receiver.
- 2.5 A reference to an "administrator" is a reference to an administrator appointed under the Insolvency Act and includes an administrator appointed under the out of court procedure under the Insolvency Act.
- 2.6 Clause and Schedule headings are for ease of reference only.
- 2.7 Any undertaking given by any Chargor under this Deed remains in force until the Discharge Date and is given for the benefit of each Secured Party.
- 2.8 The terms of the other Finance Documents and of any other agreements or instruments between any parties to the Settlement Agreement in relation to any

Finance Document (as the case may be) are incorporated into this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or 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.

- 2.9 The absence of or incomplete details of any Security Asset in any Schedule does not affect the validity or enforceability of any Security under this Deed.
- 2.10 Clauses 4.2 (*Land*) to 4.12 (*Miscellaneous*) shall be construed as creating a separate and distinct mortgage or fixed charge over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage or fixed charge (whether arising out of this Deed or any act or omission by any Party) on any one asset shall not affect the nature of any mortgage or fixed charge imposed on any other asset whether within that same class of assets or not.
- 2.11 It is intended that this Deed takes effect as a deed notwithstanding the fact that the Beneficiary may only execute this Deed under hand.
- 2.12 If the Beneficiary considers that an amount paid to it under any Finance Document or in relation to any Secured Liability 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.
- 2.13 In the event of a conflict between the terms of this Deed and the terms of the Settlement Agreement, the terms of the Settlement Agreement will prevail.
- 2.14 This Deed should be read and construed subject to the terms of the Deed of Priority. In the event of any inconsistency between the terms of this Deed and the Deed of Priority, the terms of the Deed of Priority shall prevail.

3 UNDERTAKING TO PAY

3.1 Payment

Each Chargor covenants with the Beneficiary, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

3.2 Default Interest

- 3.2.1 If a Chargor fails to pay any amount under this Deed when it is due then such amount shall bear interest (after as well as before judgment and payable on demand) at the Default Rate from the due date until the date such amount is irrevocably and unconditionally paid in full to the Beneficiary.

- 3.2.2 Default interest will accrue from day to day and will be compounded at such intervals as the Beneficiary states are appropriate.

4 SECURITY

4.1 Nature of Security

4.1.1 All the Security created under this Deed:

- (a) is created in favour of the Beneficiary;
- (b) is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and
- (c) is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.1.2 If any Chargor assigns its rights under an agreement (or charges those rights by way of first fixed charge) under this Deed and that assignment or charge breaches a term of that agreement because a third party's consent has not been obtained:

- (a) that Chargor shall notify the Beneficiary promptly;
- (b) until the consent is obtained, this Deed will secure all amounts of any nature which that Chargor may now or in future receive under or in connection with that agreement but rights under the agreement itself shall not be secured under this Deed. Upon receipt of the relevant consent, the relevant rights under the agreement shall stand assigned or charged as the case may be, to the Beneficiary under this Deed;
- (c) unless the Beneficiary otherwise requires, that Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to rights under that agreement being secured in accordance with this Deed; and
- (d) that Chargor shall promptly supply the Beneficiary with a copy of any consent obtained by it.

4.2 Land

Each Chargor charges:

- 4.2.1 by way of a first legal mortgage, all estates or interests in each Mortgaged Property and all rights under any licence or other agreement or document which gives any Chargor a right to occupy or use a Mortgaged Property (where applicable); and

- 4.2.2 (to the extent that they are not the subject of a mortgage under Clause 4.2.1 above) by way of first fixed charge, all Real Property and all rights under any licence or other agreement or document which gives any Chargor a right to occupy or use Real Property.

4.3 Chattels

Each Chargor charges by way of a first fixed charge all the Chattels owned by them and their interests in any Chattels in their possession.

4.4 Rental Income

- 4.4.1 Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of security*), all its rights in respect of any lease documents entered into by it and the Rental Income provided that if any of those rights are not effectively assigned by this Clause 4.4, this assignment shall instead operate as an assignment of all sums, of any nature, which that Chargor may derive from those rights.

- 4.4.2 To the extent that they are not effectively assigned under Clause 4.4.1 above, each Chargor charges by way of its first fixed charge all of their rights described in Clause 4.4.1 above.

4.5 Investments

Each Chargor charges:

- 4.5.1 by way of a first fixed charge all its rights, interest and title to the Shares; and
- 4.5.2 by way of a first fixed charge all Dividends.

4.6 Accounts

- 4.6.1 Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of Security*), all their rights in respect of the Accounts.
- 4.6.2 To the extent that they are not effectively assigned under Clause 4.6.1 above, each Chargor charges by way of first fixed charge all of its rights and interest in and to the Accounts.

4.7 Monetary Claims

Each Chargor charges by way of first fixed charge all the Monetary Claims.

4.8 Contracts

- 4.8.1 Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of Security*), all their rights in respect of:

- (a) the Assigned Contracts;
- (b) the Contracts (other than the Assigned Contracts);
- (c) any letter of credit issued in its favour; and
- (d) any bill of exchange or other negotiable instrument held by it.

4.8.2 To the extent that any Contract is not capable of assignment without infringing any provision of such Contract but is capable of being charged, the Chargors charge by way of fixed charge all of their rights and interest in such Contract.

4.8.3 To the extent that any Contract is not capable of assignment or charge without infringing any provision of such Contract, that Chargor charges by way of fixed charge the proceeds of any Related Rights in respect of such Contract.

4.9 Insurances

4.9.1 Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of Security*), all amounts payable to it under or in connection with the Policies and all of their rights in connection with those amounts and/or the Policies.

4.9.2 To the extent that they are not effectively assigned under Clause 4.9.1 above, that Chargor charges by way of first fixed charge the relevant amounts and rights described in Clause 4.9.1 above.

4.10 Intellectual Property

Each Chargor charges by way of first fixed charge all its rights in its Intellectual Property.

4.11 Other Proceeds

Each Chargor assigns absolutely, subject to reassignment by the Beneficiary in accordance with Clause 32 (*Release of Security*) all of its rights and interest in all present and future proceeds of any disposal of any asset or claim from any third party.

4.12 Miscellaneous

Each Chargor charges by way of first fixed charge:

- 4.12.1 to the extent not otherwise charged by way of legal mortgage or fixed charge under this Clause 4, all Related Rights;
- 4.12.2 any beneficial interest, claim or entitlement it has in any pension fund;
- 4.12.3 all rights to recover any Taxes on any supplies made to it relating to any Security Asset and any sums so recovered;

- 4.12.4 its goodwill;
- 4.12.5 its uncalled capital;
- 4.12.6 the benefit of any Authorisation (statutory or otherwise) held in connection with its business or the use of any Security Asset;
- 4.12.7 the right to recover and receive compensation or any other sum payable in relation to any Authorisation and all rights in connection with the Authorisations; and
- 4.12.8 the benefit of all rights in relation to any items under sub-clauses 4.12.1 to 4.12.7 above.

4.13 Floating charge

- 4.13.1 Each Chargor charges by way of a first floating charge all of its undertaking and assets whatsoever and wheresoever not at any time otherwise effectively mortgaged, charged or assigned by way of mortgage, fixed charge or assignment under this Clause 4.
- 4.13.2 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charge created pursuant to Clause 4.13.1 which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.

4.14 Crystallisation

- 4.14.1 The Beneficiary may at any time by notice in writing to the Chargors convert any floating charge created by that Chargor pursuant to Clause 4.13 (*Floating charge*) above into a fixed charge with immediate effect as regards any assets specified in the notice if:
 - (a) this Security has become enforceable in accordance with Clause 18 (*Enforcement of Security*); or
 - (b) the Beneficiary considers any Security Asset to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
 - (c) the Beneficiary reasonably considers that it is necessary in order to protect the priority of its Security.
- 4.14.2 Notwithstanding Clause 4.14.1 above and without prejudice to any rule of law which may have a similar effect, the floating charge created by Clause 4.13 (*Floating charge*) will automatically and immediately (without notice) convert into a fixed charge over all of a Chargor's assets if:
 - (a) that Chargor creates or attempts to create any Security over any of the Security Assets without the prior written consent of the

Beneficiary or otherwise than in accordance with the terms of the Finance Documents;

- (b) any person levies or attempts to levy any distress, attachment, execution or other process against any of the Security Assets;
- (c) a receiver or administrator is appointed in respect of that Chargor or a person entitled to appoint an administrator in respect of that Chargor gives notice of its intention to do so or files a notice of appointment with a court; or
- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, winding up, dissolution or re-organisation of that Chargor other than a winding up petition which is stayed within 14 days of commencement.

4.14.3 Notwithstanding any other provision of this Deed, the floating charge created by Clause 4.13 (*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 Schedule A1 of the Insolvency Act.

5 GENERAL REPRESENTATIONS AND WARRANTIES

The representations and warranties set out in this Clause 5 are made by each Chargor to the Beneficiary on the dates set out in clause 5.6.

- 5.1 Each Chargor is the sole absolute, legal and beneficial owner of its Security Assets.
- 5.2 No person save for any of the Chargors has any right or interest of any sort whatsoever in or to the Security Assets except for in accordance with the Deed of Priority.
- 5.3 No Chargor is aware of any adverse claim by any person in respect of the Security Assets or any interest in them.
- 5.4 There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Security Assets.
- 5.5 There is no breach of any law or regulation which materially and adversely affects the Security Assets.
- 5.6 The representations and warranties set out in this Deed are made on the date of this Deed and each representation and warranty is deemed to be repeated by it until the Discharge Date by reference to the circumstances existing at the time of repetition.

6 GENERAL UNDERTAKINGS

6.1 Negative Pledge

Except as permitted by the Finance Documents, no Chargor shall create, purport to create or permit to subsist any Security on or in relation to any Security Asset other than any Security created by this Deed.

6.2 Disposals

Except as permitted by, and in accordance with the terms of, the Finance Documents, no Chargor shall sell, transfer, lease or otherwise dispose or purport or agree to dispose of all or any part of the Security Assets.

6.3 Preservation of Security Assets

No Chargor shall do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the Security held by the Beneficiary, or materially diminish the value of any of the Security Assets or the effectiveness of this Security.

6.4 Compliance with laws

Each Chargor shall comply with the requirements of any law and regulation relating to or affecting any Security Assets or their use.

6.5 Title documents

Each Chargor shall, on the execution of this deed (or, if later, the date of acquisition of the relevant Security Asset), deposit with the Beneficiary (and the Beneficiary shall (until the Discharge Date) be entitled to hold) all deeds and documents of title (or other evidence of ownership) relating to the Security Assets that are in the possession or control of the relevant Chargor (and if these are not within the possession or control of the Chargors, the relevant Chargor undertake to obtain possession of all these deeds and documents of title).

7 REAL PROPERTY

7.1 Acquisitions

7.2 If any Chargor acquires any freehold, leasehold or commonhold property after the date of this Deed it shall:

7.2.1 notify the Beneficiary immediately;

7.2.2 immediately on request by the Beneficiary and at the cost of that Chargor, execute and deliver to the Beneficiary a Legal Mortgage in favour of the Beneficiary (as trustee for the Secured Parties) of that property;

- 7.2.3 if the title to that freehold, leasehold or commonhold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Legal Mortgage; and
 - 7.2.4 if applicable, ensure that details of the Legal Mortgage are correctly noted in the Register of Title against that title at the Land Registry.
- 7.3 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a Legal Mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. That Chargor shall immediately request the relevant landlord's consent and shall use all reasonable endeavours to obtain that consent within five Business Days of making the request.

8 INVESTMENTS

8.1 Investments - representations and warranties

Each Chargor represents and warrants to the Beneficiary on each day up to the Discharge Date that:

- 8.1.1 the Shares are duly authorised, validly issued, fully paid, freely transferable and not subject to any option to purchase or any similar right and there are no monies or liabilities outstanding in respect of any Share;
- 8.1.2 each issuer of any Shares which are expressed to be subject to this Security are/is not, in any circumstances, entitled to any form of lien upon those Shares; and
- 8.1.3 each Chargor has complied with all notices relating to all or any of the Shares received by it pursuant to sections 790D and 790E of the Companies Act 2006 and no Warning Notice or Restrictions Notice has been issued to the Chargor in respect of all or any part of the Shares.

8.2 Investments - undertakings

Each Chargor shall:

- 8.2.1 obtain all consents, waivers, approvals and permissions that are necessary for the transfer of any Shares to the Beneficiary or its nominee, or to a purchaser on enforcement of this Security; and
- 8.2.2 procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Shares in any manner that the Beneficiary may require in order to permit the transfer of the Shares to the Beneficiary or its nominee, or to a purchaser on enforcement of this Security.

8.3 Stock transfer form

Each Chargor undertakes to deposit with the Beneficiary or the Beneficiary's nominee stock transfer forms (or other appropriate transfer instruments) signed by each Chargor (or its nominee, where appropriate) as transferor but with details of the transferee, date and consideration left blank.

8.4 Completion of transfers

The Beneficiary is entitled at any time after an Event of Default has occurred to complete the stock transfer forms (or other transfer instruments) on behalf of each Chargor in favour of the Beneficiary or its nominee, using the power of attorney contained in Clause 24 (*Power of attorney*) or otherwise.

8.5 Voting rights, Dividends, etc.

8.5.1 Voting and other rights prior to an Event of Default

Prior to the occurrence of an Event of Default:

- (a) each Chargor is entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit provided that:
 - (i) it does not do so in a way which would breach any provision of any Finance Document or for a purpose inconsistent with any Finance Document; and
 - (ii) the exercise or failure to exercise those rights would not, in the Beneficiary's opinion, have an adverse effect on the value of the Investments and does not otherwise prejudice the Beneficiary's interests under this Deed; and
- (b) each Chargor is entitled to receive and retain all Dividends.

8.5.2 Voting and other rights following an Event of Default

After an Event of Default has occurred:

- (a) the Beneficiary will be entitled (but not obliged) to exercise or direct the exercise (or refrain from exercising or refrain from directing the exercise) of the voting and other rights attached to any Share as it sees fit in its absolute discretion;
- (b) each Chargor shall comply, or procure compliance with, any directions of the Beneficiary in relation to the exercise of those rights and shall promptly execute and deliver to the Beneficiary all forms of proxy (or other forms of authorisation) as the Beneficiary may require in connection with the exercise of those rights; and

- (c) all Dividends shall be paid or transferred to the Beneficiary (or to its order) and any Dividends received by any Chargor shall be held by that Chargor on trust for the Beneficiary and immediately paid by it to the Beneficiary or to any nominee designated by the Beneficiary. The Beneficiary will be entitled to apply those Dividends in such manner as it sees fit.

8.5.3 Voting rights

At any time:

- (a) the Beneficiary may, in its absolute discretion, and without any consent or authority from the relevant Chargor (but providing the relevant Chargor with notice of any such election) elect to give up the right to exercise (or refrain from exercising) all voting rights in respect of the Shares conferred or to be conferred on the Beneficiary pursuant to Clause 8.5.2(a) above, provided that the relevant Chargor shall compensate for, or otherwise make good to the Beneficiary, any loss or shortfall it may suffer as a consequence of such election;
- (b) once a notice has been issued by the Beneficiary under Clause 8.5.3(a) above, on and from the date of such notice, the Beneficiary shall cease to have the rights to exercise or refrain from exercising voting rights in respect of the Shares (conferred or to be conferred on it pursuant to Clause 8.5.2(a) above or any other provision of this Deed) and all such rights shall be exercisable by the relevant Chargor. The relevant Chargor shall be entitled on and from the date of such notice to exercise all voting rights in respect of the Shares subject only to the proviso contained in Clause 8.5.1(a) above.

8.6 Limited obligations of the Beneficiary

The Beneficiary shall not at any time (including if any Shares are registered in the name of the Beneficiary or its nominee) have any duty:

- 8.6.1 to make any payment or to ensure that any monies payable in respect of any Shares are duly and promptly paid or received by it or the relevant Chargor or any nominee;
- 8.6.2 to verify that the amounts referred to in Clause 8.6.1 are the correct amounts paid or received;
- 8.6.3 to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus rights, preference, option, warrant or otherwise on, or in respect of, or in substitution for, any Shares;

- 8.6.4 to perform any obligation of any Chargor in relation to any Shares; or
- 8.6.5 to present or file any claim or take any other action to collect or enforce the payment of any amount to which it or any Chargor may be entitled under this Deed.

9 CHATTELS

9.1 Maintenance

Each Chargor shall:

- 9.1.1 keep all its Chattels in good repair, working order and condition;
- 9.1.2 give the Beneficiary such information concerning the location, condition, use and operation of its Chattels as the Beneficiary may require;
- 9.1.3 permit any persons designated by the Beneficiary to inspect and examine the Chattels and the records relating to the Chattels at all reasonable times; and
- 9.1.4 not permit any Chattels to be:
 - (a) used or handled other than by properly qualified and trained persons; or
 - (b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

9.2 Notice of Charge

Each Chargor shall take any action which the Beneficiary may reasonably require to evidence the interest of the Beneficiary in its Chattels; this includes a fixed nameplate on its Chattels in a prominent position stating that:

- 9.2.1 the Chattel is charged in favour of the Beneficiary; and
- 9.2.2 the Chattel must not be disposed of without the prior consent of the Beneficiary unless permitted under the Settlement Agreement.

10 ACCOUNTS

10.1 Undertakings

Each Chargor shall:

- 10.1.1 except as regards any account maintained with the Beneficiary, deliver to the Beneficiary details of each Account maintained by it promptly upon any redesignation or change in account details affecting any Account;

10.1.2 promptly upon request by the Beneficiary, supply it with copies of all mandate letters, bank statements and other agreements relating to the Accounts; and

10.1.3 not permit or agree to any variation of the terms and conditions relating to any Account or close any Accounts.

11 MONETARY CLAIMS

11.1 Collecting Monetary Claims

Each Chargor shall (as agent of the Beneficiary) promptly get in and realise all Monetary Claims and pay the proceeds of such Monetary Claims into a Account or as the Beneficiary may otherwise direct in writing and pending that payment will hold those proceeds on trust for the Beneficiary.

11.2 Dealing with Monetary Claims

No Chargor shall not, except in accordance with the terms of the Finance Documents, without the prior written consent of the Beneficiary, assign, factor, discount, release, exchange, waive, compound, set-off, grant time or indulgence or otherwise deal with any of the Monetary Claims or vary any term relating to a Monetary Claim.

11.3 Assignment

Each Chargor shall, at the Beneficiary's request, execute a legal assignment of its Monetary Claims in favour of the Beneficiary on such terms as the Beneficiary may require and will sign and deliver written notice of that assignment, in a form acceptable to the Beneficiary, to each debtor which owes or may owe a Monetary Claim and will use all reasonable endeavours to procure that the notice is duly acknowledged by the debtors concerned in accordance with the terms of that assignment and that, following the date of such notice, each such debtor pays such Monetary Claims to the Beneficiary in accordance with the terms of the notice.

12 CONTRACTS

12.1 Undertaking

No Chargor shall (without the prior written consent of the Beneficiary) take any action which might jeopardise the existence or enforceability of any Contract to which it is a party.

12.2 Obligations

Notwithstanding the operation of Clause 4.8 (*Contracts*), each Chargor is and shall remain liable under any Contract to which it is a party to perform all its obligations under that Contract and no Secured Party shall be, or be deemed to be, under any obligation or liability under or in connection with such Contract by reason of this Deed or the exercise by any Secured Party of any rights, powers or remedies under this Deed.

13 INSURANCES

No Chargor shall, without the Beneficiary's prior written consent, amend, supplement or waive or agree to the amendment, supplement or waiver of any term of any Policy or terminate any Policy or allow any Policy to lapse (other than where a Policy expires in accordance with its terms and not by reason of default).

14 INTELLECTUAL PROPERTY

14.1 Intellectual Property – undertakings

14.1.1 Each Chargor shall do all such acts and things as are necessary or desirable to preserve and maintain the existence, validity and value of its Intellectual Property.

14.1.2 No Chargor shall abandon, cancel or allow any of its Intellectual Property to become void, lapse or to become vulnerable to attack, whether for non-use or otherwise.

14.2 Preservation/protection

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

15 THE LAND REGISTRY

15.1 Each Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate , or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [REDACTED] in favour of Fildraw Limited referred to in the charges register or their conveyancer".

15.2 No Chargor shall allow any person other than the relevant Chargor to be registered under the Land Registration Act 2002 as proprietor of any of the Real Property and will not, as regards any Real Property, create or permit to arise any overriding interest within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003 and more particularly set out in Schedule 1 or Schedule 3 of the Land Registration Act 2002.

15.3 No Chargor shall permit any person to become entitled to any proprietary right or interest which might affect the value of any Real Property.

- 15.4 Each Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect this Security.
- 15.5 Each Chargor authorises the Beneficiary and/or any solicitors or other agent acting on behalf of the Beneficiary to complete, execute and deliver on the Chargor's behalf (but at the cost of the Chargor) to the Land Registry any form, document or other information requested by the Land Registry with regard to the applications referred to in this Clause 15.

16 NOTICES OF ASSIGNMENT AND CHARGE

16.1 Rental Income

- 16.1.1 Each Chargor shall at the request of the Beneficiary serve a notice, substantially in the form of Part 1 of Schedule 7 (*Form of Notice to Tenant*), on each tenant of any Real Property.
- 16.1.2 The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in Part 2 of Schedule 7 (*Form of Acknowledgement from Tenant*) within five Business Days of the date of such notice.

16.2 Accounts

- 16.2.1 Each Chargor shall at the request of the Beneficiary serve a notice, substantially in the form of Part 1 Schedule 8 (*Form of Notice to Account Bank*), on each Account Bank with whom an Account is held.
- 16.2.2 Each Chargor shall use all reasonable endeavours to procure that each Account Bank acknowledges any such notice in substantially the form of Schedule 8 (*Form of Acknowledgement from Account Bank*) within five Business Days of the date of such notice.

16.3 Assigned Contracts

- 16.3.1 Each Chargor shall at the request of the Beneficiary serve a notice, substantially in the form of Part 1 of Schedule 9 (*Form of Notice to Counterparty*), on each counterparty to each such Contract to which it is a party.
- 16.3.2 The relevant Chargor shall use all reasonable endeavours to procure that each such counterparty acknowledges that notice in substantially the form specified in Part 2 of Schedule 9 (*Form of Acknowledgement from Counterparty*) within five Business Days of the date of such notice.

16.4 Insurance

16.4.1 Each Chargor shall at the request of the Beneficiary serve a notice, substantially in the form of Part 1 of Schedule 10 (*Form of Notice and Acknowledgement for Insurer*), on each other party to each Policy.

16.4.2 The relevant Chargor shall use all reasonable endeavours to procure that each such party acknowledges that notice in substantially the form specified in Part 2 of Schedule 10 (*Form of Acknowledgement from Insurer*) within five Business Days of the date of such notice.

16.5 Instructions irrevocable

Any instructions contained in any notice sent by any Chargor pursuant to this Clause 16 may not be revoked or amended without the Beneficiary's prior written consent.

17 POWERS, PROTECTION AND DISCRETIONS OF THE BENEFICIARY

17.1 Rights and powers etc

To the fullest extent allowed by law (and without prejudice to, all statutory and other powers of the Beneficiary), all the rights, powers, authorities and discretions which are expressly or impliedly conferred by this Deed or by law on a Receiver may, after this Security has become enforceable, be exercised by the Beneficiary (whether as attorney of a Chargor or otherwise) in respect of any Security Asset whether or not a Receiver has been or is later appointed.

17.2 Protections

All the protections and immunities which this Deed provides for a Receiver shall be available to the Beneficiary when the Beneficiary is exercising the rights, powers, authorities and discretions conferred on the Beneficiary by this Deed.

17.3 Curing of breaches and covenants

Without prejudice to any other rights of the Beneficiary under this Deed, if any Chargor fails to comply with any provision of this Deed, the Beneficiary shall be entitled (but not obliged) to remedy such breach and accordingly that Chargor shall allow and hereby authorises the Beneficiary or its nominee to do all such acts and things and take such action on behalf of that Chargor as may be necessary to secure compliance with that provision without becoming liable as a mortgagee in possession.

17.4 Indemnity

The Chargors shall indemnify the Beneficiary against all losses, costs, charges, expenses and liabilities incurred by the Beneficiary as a result of the breach or failure by any Chargor to comply with any provision of this Deed and in connection with the exercise by the Beneficiary or its nominee of their respective rights contained in Clause 17.3 (*Curing of breaches and covenants*).

17.5 Expenses so incurred

All monies expended and all costs incurred by the Beneficiary or its nominee in carrying out any of their respective powers and discretions referred to in Clause 17.3 (*Curing of breaches and covenants*) shall be considered to have been properly incurred by the Beneficiary or its nominee, shall be secured by this Security and shall be payable on demand by the Chargors to the Beneficiary.

18 ENFORCEMENT OF SECURITY

18.1 Timing

This Security will be immediately enforceable on the occurrence of:

18.1.1 an Event of Default; or

18.1.2 a request being made by a Chargor to the Beneficiary that it exercise any of its powers under this Deed.

18.2 Enforcement

At any time after this Security has become enforceable, the Beneficiary may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion:

18.2.1 enforce all or any part of that Security (at the times, and in any manner and on such terms, as it sees fit);

18.2.2 appoint a Receiver to all or any part of the Security Assets;

18.2.3 appoint one or more persons as an Administrator of any or all of the Chargors in accordance with Schedule B1 of the Insolvency Act;

18.2.4 apply to the court for an order removing an Administrator and/or replace an Administrator appointed by the Beneficiary;

18.2.5 take possession of and hold or dispose of all or any part of the Security Assets including, without limitation, all of the powers conferred on a mortgagee under the LPA (as varied or extended by this Deed) or any of the powers conferred on a holder of a qualifying floating charge holder (as defined in the Insolvency Act);

18.2.6 secure and perfect its title to all or any part of a Security Asset and / or transfer any asset into its name or the name of its nominee or, as applicable, into an account in its own name or the name of its nominee;

18.2.7 exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute legal and beneficial owner of that Security Asset;

18.2.8 to the extent permitted by law, whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorisations and discretions (and

be entitled to all the privileges and immunities) conferred by the LPA (as varied and extended by this Deed) on mortgagees, by this Deed on any Receiver, or conferred by the Insolvency Act or any other law on mortgagees and Receivers;

- 18.2.9 subject to Clause 4.14.3, by written notice to the relevant Chargor convert the floating charge created by Clause 4.13 into a fixed charge as regards any assets specified in that notice; and/or
- 18.2.10 exercise the statutory power of sale and any other powers conferred by section 101 of the LPA and the statutory powers of leasing as amended and varied in the forgoing clauses and all other statutory powers in respect of the whole or any part of the Security Assets; and/or
- 18.2.11 exercise all its rights, powers and remedies as assignee of the Accounts or any contracts and/or agreements and, in particular, the right to:
 - (a) demand and receive any interest or other monies payable in respect of any credit balance on any Account or any relevant contract or agreement; and
 - (b) withdraw sums standing to the credit of any Account (or, by notice to the bank with whom such Account is maintained, block the withdrawal of any such sums) and otherwise exercise all rights in relation to the Accounts as the relevant Chargor may exercise (or, but for this Deed) might exercise; and
 - (c) apply, transfer or set-off any or all of the balances from time to time standing to the credit of the Accounts in or towards the payment or other satisfaction of all or part of the Secured Liabilities then due but unpaid in accordance with Clause 21.1 (*Order of application*).

18.3 Statutory powers

- 18.3.1 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.
- 18.3.2 The statutory power of sale or other right of disposal conferred on the Beneficiary and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and such power shall arise and be exercisable on execution of this Deed, but the Beneficiary shall not exercise such powers until this Security has become enforceable.
- 18.3.3 The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA and/or by any other statute may be exercised by the Beneficiary and any Receiver at any time on or after this Deed has become enforceable and such powers are extended by this Deed so as to authorise the Beneficiary and any Receiver to make any lease or

agreements for lease, accept surrenders of leases and grant options on such terms as the Beneficiary or Receiver (as the case may be) may think fit and without the need to comply with any restrictions imposed by law (including, but not limited to, under section 99 or section 100 of the LPA).

18.3.4 For the purposes of sections 99 and 100 of the LPA, the expression "mortgagor" will include any incumbrancer deriving title under any Chargor and neither sub-section (18) of section 99 nor sub-section (12) of section 100 of the LPA will apply.

18.3.5 No Chargor shall have, at any time until the Discharge Date, the power pursuant to section 99 of the LPA to grant any Lease in respect of any Real Property without the prior written consent of the Beneficiary unless permitted pursuant to the terms of the Settlement Agreement.

18.3.6 The restriction on the right of consolidation contained in section 93 of the LPA shall not apply to this Security.

18.3.7 Section 103 of the LPA shall not apply to this Security.

18.4 Access on enforcement

18.4.1 At any time after this Security has become enforceable, each Chargor will allow any of the Secured Parties, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Security Asset and for that purpose to enter on any premises where a Security Asset is situated (or where any Secured Party reasonably believes a Security Asset to be situated) without incurring any liability to the Chargors for, or by any reason of, that entry.

18.4.2 At all times, the Chargors must use their best endeavours to allow any Secured Party access to any premises for the purpose of Clause 18.4.1 (obtaining any necessary consents or permits of other persons) and ensure that their employees and officers do the same.

19 RECEIVER

19.1 Appointment of Receiver

19.1.1 At any time after this Security has become enforceable, the Beneficiary may without prior notice appoint:

- (a) any one or more persons to be a Receiver of all or any part of the Security Assets; or
- (b) two or more Receivers of separate parts of the Security Assets; or
- (c) another person(s) as an additional Receiver(s).

- 19.1.2 Any appointment under Clause 19.1.1 above may be by deed, under seal or in writing under its hand.
- 19.1.3 Except as provided in Clause 19.1.4, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed.
- 19.1.4 The Beneficiary 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 section 1A of the Insolvency Act.
- 19.1.5 At any time, if so requested by any Chargor, without further notice, the Beneficiary may appoint a Receiver to all or any part of the Security Assets.

19.2 Statutory powers of appointment

- 19.2.1 The powers of appointment of a Receiver pursuant to Clause 19.1 (*Appointment of Receiver*) above shall be in addition to all statutory and other powers of appointment of the Beneficiary under the LPA (as extended by this Deed), the Insolvency Act or otherwise and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.
- 19.2.2 Such powers of appointment of a Receiver shall remain exercisable from time to time by the Beneficiary in respect of any part of the Security Assets, despite any prior appointment in respect of all or any part of the Security Assets.

19.3 Removal

The Beneficiary may from time to time by writing under its hand (subject to the 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 who has been removed for any reason.

19.4 Remuneration

The Beneficiary may from time to time fix the remuneration of any Receiver appointed by it and any restrictions imposed by any law (including under section 109 of the LPA) will not apply. Any remuneration of any Receiver will form part of the Secured Liabilities.

19.5 Agent of the Chargor

- 19.5.1 A Receiver will be deemed to be the agent of each relevant 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. The Chargors are solely responsible for the remuneration, expenses, contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver. The agency of each Receiver shall

continue until a Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Beneficiary.

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

19.5.3 No Receiver shall at any time act as agent for any other Secured Party.

20 POWERS OF RECEIVER

20.1 Statutory powers

20.1.1 A Receiver (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of a Chargor) has (to the extent permitted by law):

- (a) all of the rights, powers, remedies and discretions of an administrative receiver under Schedule 1 of the Insolvency Act, as if such Schedule and all relevant definitions set out in the Insolvency Act were set out in this Deed; and
- (b) otherwise, all the rights, powers, remedies and discretions conferred on a mortgagor, a mortgagee in possession and on a Receiver appointed under the LPA or the Insolvency Act.

20.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually (and to the exclusion of any other Receiver) or together with any other person appointed or substituted as a Receiver.

20.1.3 Any exercise by a Receiver of any of the powers given by this Clause 20 and Schedule 1 (*Additional Powers of Receiver*) may be on behalf of the Chargors, the directors of each Chargor or himself.

20.2 Additional powers

In addition to those powers, rights and discretions set out in Clauses 20.1.1(a) and 20.1.1(b) above, a Receiver shall have the rights, powers and discretions set out in Schedule 1 (*Additional Powers of Receiver*).

20.3 Powers to be additional

The powers conferred by this Deed in relation to the Security Assets on the Receiver shall be in addition to, and not in substitution for, the powers conferred on receivers under the LPA and the Insolvency Act.

20.4 Powers to be exercisable by the Beneficiary

- 20.4.1 The Beneficiary may exercise all powers granted to the Receiver by this Deed whether as attorney of a Chargor or otherwise.
- 20.4.2 The powers of the Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Beneficiary as provided in Clause 18.3 (*Statutory powers*) or otherwise and so that, inter alia, such powers are and remain exercisable by the Beneficiary in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Beneficiary is from time to time subsisting.

20.5 Conflict

If and to the extent that there is any ambiguity or conflict between:

20.5.1 the powers conferred on the Receiver by the LPA and those powers listed in Schedule 1 of the Insolvency Act; and

20.5.2 the powers conferred by this Clause 20,

the powers conferred by this Clause 20 shall prevail.

21 APPLICATION OF PROCEEDS

21.1 Order of application

All amounts from time to time received or recovered by any Secured Party pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of this Security (for the purposes of this Clause **Error! Reference source not found.**, the "**Recoveries**") shall be held by that Secured Party on trust to apply them at any time as that Secured Party (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause **Error! Reference source not found.**), in the following order:

21.1.1 **first**, in payment of all charges, costs and expenses incurred by or on behalf of any Secured Party under or in connection with any realisation or enforcement of the Security taken in accordance with the terms of this Deed and all remuneration due to any Receiver under or in connection with this Deed;

21.1.2 **secondly**, in or towards payment of or provision for the Secured Liabilities in accordance with the Settlement Agreement; and

21.1.3 **thirdly**, the balance (if any) will be applied as required by law.

21.2 Appropriation

Neither the Beneficiary, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA, which is varied accordingly, or otherwise) to pay

or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

21.3 Permitted Deductions

The Beneficiary shall be entitled, in its discretion to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Beneficiary under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Deed).

22 PROTECTION OF PURCHASERS

22.1 No purchaser or other person dealing with any Secured Party shall be concerned to enquire:

22.1.1 whether any of the Secured Liabilities have become due and/or payable;

22.1.2 whether any of the powers conferred on a Secured Party by this Deed or by law has arisen or become exercisable or is being properly exercised;

22.1.3 whether any of the Secured Liabilities remains due; or

22.1.4 how any money paid to that Secured Party is to be applied.

22.2 No purchaser dealing with any Secured Party or this Security is to be concerned to enquire as to the propriety or regularity of any sale by, or other dealing with, the Secured Parties. Any such sale or dealing is deemed to be within the powers conferred by this Deed and to be valid and effective accordingly. All the protection to purchasers contained in section 104 and section 107 of the LPA and section 42(3) of the Insolvency Act apply to any purchaser.

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

23 LIABILITY OF BENEFICIARY AND RECEIVER

23.1 Liability

None of the Beneficiary, any Receiver or any Delegate, (whether as mortgagee in possession or otherwise) shall either by reason of:

23.1.1 taking possession of or realising all or any part of the Security Assets; or

23.1.2 taking any action permitted by this Deed,

be liable to the Chargors or any other person for any costs, losses or liabilities relating to any of the Security Assets or for any act, neglect, default, omission or misconduct

of the Beneficiary, any Receiver or any Delegate in relation to the Security Assets or otherwise.

23.2 Exoneration

23.2.1 None of the Beneficiary, any Receiver or any Delegate shall have any duty:

- (a) to perform any Chargor's obligations or exercise any rights in relation to any Security Asset;
- (b) to ensure that any Related Rights are made available and to ensure that the correct amount has been received in relation to any Related Right;
- (c) to take up any offer in relation to any Security Asset;
- (d) to investigate, appraise or report on the status, propriety or validity of the acts of the Receiver or Beneficiary;
- (e) to give any notification to anyone in relation to any Security Asset;
- (f) to take any action to enforce any other person's obligations as regards any Security Asset; or
- (g) to take any action to preserve any rights relating to any of the Security Assets.

23.2.2 None of the Beneficiary, any Receiver or any Delegate shall:

- (a) be liable to comply with the obligations assumed by any Chargor in respect of any of the Security Assets;
- (b) be under any obligation or liability by reason of, or arising out of, this Deed; or
- (c) be required to make any enquiry as the nature or sufficiency of any payment received by a Secured Party or to present or file any claim or take any other action to collect or enforce the payment of any amount or to enforce any other right to which the Beneficiary may be entitled.

23.3 Protection of the Receiver and the Beneficiary

Each Receiver and the Beneficiary shall be entitled to all the rights, powers, privileges and immunities which the LPA and/or the Insolvency Act confers on mortgagees and Receivers.

23.4 Reimbursement and Indemnity

The Beneficiary and every Receiver and Delegate may, in priority to any payment to the other Secured Parties, indemnify itself out of the Security Assets in respect of,

and pay and retain all sums necessary to give effect to, the indemnity in Clause 39 (*Indemnity to the Beneficiary and Receiver*).

24 POWER OF ATTORNEY

24.1 By way of security for the performance of its obligations under this Deed, each Chargor irrevocably and severally appoints the Beneficiary, each Receiver and each Delegate to be its attorney (with full power of substitution and delegation) and in its name, on its behalf and as its act and deed to:

24.1.1 execute, deliver and perfect a Legal Mortgage over any Real Property not already the subject of a registrable Legal Mortgage;

24.1.2 exercise voting rights in respect of the Shares in accordance with the terms of this Deed;

24.1.3 execute, deliver and perfect all other deeds, instruments and other documents and do (or cause to be done) all such acts and things which the attorney may consider to be required or desirable for:

(a) carrying out any obligation imposed on that Chargor by this Deed or any agreement binding on that Chargor to which the Beneficiary is a party (including, but not limited to, the execution and delivery of any charges, assignments or other security and any transfers of the Security Assets and perfecting and/or releasing the Security created or intended to be created in respect of the Security Assets); and/or

(b) enabling the Beneficiary and any Receiver (and any Delegate) to exercise any of the rights, powers, authorities and discretions conferred on them pursuant to this Deed or by law (including, after this Security has become enforceable as provided in this Deed, the exercise of any right of a legal or beneficial owner of the Security Assets or any part of the Security Assets).

24.2 Each Chargor ratifies and confirms all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of its rights, powers, authorities and discretions referred to in Clause 24.1.

24.3 Each Chargor covenants (for the purpose of the irrevocable nature of the power of attorney granted in this Clause 24) with each Receiver appointed pursuant to this Deed, to join in and concur with the exercise by such Receiver of any powers of such Receiver to act on behalf of that Chargor.

25 PROTECTIVE PROVISIONS

25.1 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or any Security for those obligations or otherwise) is made by the Beneficiary in whole or in part on the basis of any payment, Security, or other discretion which is

avoided or must be restored in insolvency, liquidation, administration, receivership or otherwise, without limitation, then the liability of that Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

25.2 Waiver of defences

The obligations of, and the Security created by, each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this Clause 25, would reduce, release or prejudice any of its obligations under, or the Security created by, this Deed (without limitation and whether or not known to any Chargor or the Beneficiary), including:

- 25.2.1 any time, waiver or consent granted or agreed to be granted to, or composition with any other person;
- 25.2.2 the release of any Chargor or any other person under the terms of any composition or arrangement with any creditor or any member of the group;
- 25.2.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or Security over assets of, any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 25.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- 25.2.5 any amendment, determination, novation, supplement, extension (whether at maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of any Finance Document or any other document or Security or of the Secured Liabilities (including, without limitation, any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Finance Document or other document or Security); and
- 25.2.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Liabilities; or
- 25.2.7 any insolvency or similar proceedings.

Without prejudice to the generality of this Clause 25.2, each Chargor expressly confirms that it intends that the Security created by it under 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 for the purposes of or in connection

with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

25.3 Immediate recourse

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

25.4 Appropriations

Until all amounts which may be or become payable by each Chargor under or in connection with the Finance Documents have been irrevocably paid in full, the Beneficiary (or any trustee or agent on its behalf) may:

- 25.4.1 refrain from applying or enforcing any other moneys, Security or rights held or received by the Beneficiary (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall not be entitled to the benefit of the same; and
- 25.4.2 hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any liability arising under this Deed.

25.5 Non-competition

Until the occurrence of the Discharge Date or unless the prior written consent of the Beneficiary is obtained, no Chargor shall 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:

- 25.5.1 to be indemnified by any person;
- 25.5.2 to claim any contribution from any other provider of Security or any guarantor of the Secured Liabilities; and
- 25.5.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Beneficiary under the Finance Documents or of any other guarantee, indemnity or Security taken pursuant to, or in connection with, the Secured Liabilities by the Beneficiary.

If a Chargor receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Beneficiary in connection with the

Secured Liabilities to be repaid in full) on trust for the Beneficiary and shall promptly pay or transfer the same to the Beneficiary or as the Beneficiary may direct.

26 DELEGATION AND DISCRETION

26.1 Delegation

26.1.1 The Beneficiary and/or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner all or any of the rights, powers, authorities and discretions which are conferred and are exercisable by it under this Deed (including the power of attorney granted under Clause 24 (*Power of attorney*)) to any person or persons on such terms and conditions (including the power to sub-delegate) as it sees fit.

26.1.2 No such delegation pursuant to this Clause 26 shall preclude either the subsequent exercise of any such right, power, authority or discretion by the Beneficiary or a Receiver itself or any subsequent delegation or revocation of any such right, power, authority or discretion.

26.1.3 Neither the Beneficiary nor any Receiver will be bound to supervise any such Delegate or have any liability to the Chargor or any other person for any loss or liability arising from any act, default, omission or misconduct by any Delegate.

26.2 Discretion

Any right or power which may be exercised or any determination which may be made under this Deed by the Beneficiary or any Receiver may be exercised by it in its absolute and unfettered discretion, without any obligation to give reasons.

27 EFFECTIVENESS OF SECURITY

27.1 Continuing Security

This Security shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any settlement of account, intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.

27.2 Cumulative rights

This Security and the rights, powers and remedies of the Beneficiary under this Deed shall be cumulative and shall be in addition to and independent of every other Security, guarantee, right, power or remedy which the Beneficiary may at any time have in connection with the Secured Liabilities, including the rights, powers and remedies provided by law, and accordingly, the Beneficiary shall not be obliged before exercising any such rights, powers or remedies:

27.2.1 to make any demand of, or take any action or obtain any judgment in any court against, any Chargor;

- 27.2.2 to make or file any claim or proof in winding-up or dissolution of any Chargor; or
- 27.2.3 to enforce or seek to enforce any other Security held by it in respect of the Secured Liabilities.

27.3 No merger of Security

This Security is in addition to, and independent of, and is not in any way prejudiced by, any other Security or guarantee that the Beneficiary or any other Secured Party may hold in any capacity for any of the Secured Liabilities at any time. No prior Security held in any capacity by the Beneficiary or any other Secured Party over the whole or any part of the Security Assets shall merge with this Security.

27.4 No prejudice

This Security shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or by any variation of any trust on which this Security is held, or by any other thing which might otherwise prejudice that Security.

27.5 Remedies and waivers

- 27.5.1 No waiver of any right or remedy, nor any consent given under this Deed, shall be effective unless it is made in writing by the waiving or consenting party. A waiver shall not be deemed a waiver of any other breach or default and a consent shall not be deemed to apply in any other circumstance other than the one for which it was given. No waiver or consent shall prevent the party giving it from subsequently relying on the relevant provision.
- 27.5.2 No failure to exercise, nor any delay in exercising, on the part of a Secured Party, any right or remedy under a Finance Document or by law shall operate as a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy, or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of any Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent or restrict any further or other exercise of that right or remedy or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

27.6 Partial invalidity

- 27.6.1 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality,

validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.

- 27.6.2 If any part of the Security created or intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security constituted under this Deed.

27.7 Further assurance

- 27.7.1 Each Chargor shall promptly, at its own cost, enter into, execute and complete a Legal Mortgage over any Real Property in England and Wales not already the subject of a registrable Legal Mortgage.
- 27.7.2 Each Chargor shall promptly, at its own cost, do whatever the Beneficiary requires:
- (a) to create, perfect and/or protect the Security created or intended be created by this Deed;
 - (b) to create, perfect and/or protect the priority of the Security created or intended be created by this Deed;
 - (c) to facilitate the exercise of any rights, powers, discretions and remedies vested in the Beneficiary or any Receiver (or any Delegate) by this Deed and/or by the law; and/or
 - (d) to facilitate the realisation of the Security Assets.
- 27.7.3 In order to satisfy its obligations under sub-clauses 27.7.1 and 27.7.2 above, each Chargor shall immediately, upon the request of the Beneficiary, execute any transfer, conveyance, mortgage, charge, assignment or assurance over all or any of the assets intended to constitute the Security Assets (whether in favour of the Beneficiary or its nominee or otherwise) and make any filing, registration or notarisation and give any notice, instructions, order or direction in respect of the Security Assets.

28 PRIOR SECURITY INTERESTS

- 28.1 At any time after this Security has become enforceable, or after any powers conferred by any prior ranking Security shall have become exercisable, the Beneficiary may redeem that or any other prior Security and/or procure the transfer of any such Security to itself.
- 28.2 The Beneficiary may settle and agree the accounts of the holder of any prior Security and any accounts so settled and agreed will (in the absence of manifest error) be conclusive and binding on the Chargors.
- 28.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the relevant Chargor to the Beneficiary on

demand together with accrued interest on such sums (after as well as before judgment) at the Default Rate from the time or respective times of the same having been paid or incurred until payment of such sums (both before and after judgment), and such sums will form part of the Secured Liabilities.

29 SUBSEQUENT SECURITY INTERESTS

If the Beneficiary receives, or is deemed to be affected by, notice whether actual or constructive of any subsequent Security or other interest affecting all or part of the Security Assets, it may open a new account for that Chargor in its books. If the Beneficiary does not open a new account, it shall nevertheless be treated as if it had done so at the time it received or was deemed to be affected by such notice. Unless the Beneficiary gives express written notice to the contrary to the Chargors, all payments made by a Chargor to the Beneficiary will, as from the time of receipt or deemed receipt of the relevant notice by the Beneficiary, be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Liabilities.

30 SUSPENSE ACCOUNT

30.1 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, a Secured Party may pay the proceeds of any recoveries effected by it into a suspense account, in which event Clause 30.2 (*Suspense account*) shall apply to such proceeds.

30.2 Suspense account

All monies received, recovered or realised by a Secured Party under this Deed (including the proceeds of any conversion of currency and any proceeds referred to in Clause 30.1 above) may in the absolute discretion of that Secured Party be credited to any interest bearing suspense or impersonal account(s) maintained with a bank, building society or financial institution for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Secured Party's absolute discretion, in or towards the discharge of any of the Secured Liabilities.

31 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 any Chargor has with the Beneficiary within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which the Beneficiary considers appropriate.

32 RELEASE OF SECURITY

32.1 Upon the occurrence of the Discharge Date and subject always to Clause 25.1 (*Reinstatement*) and Clause 32.2, the Beneficiary shall, at the request and cost of the Chargors, release and cancel this Security and procure the reassignment to the Chargors of the assets assigned to the Beneficiary pursuant to this Deed, in each case without recourse to, or any representation or warranty by, the Beneficiary or any of its Delegates.

32.2 Following any discharge of the any Chargor made by the Beneficiary in reliance on any payment or Security the Beneficiary may retain this Security (and all documents of title or other documents necessary to protect such Security) until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person other than the relevant Chargor making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Beneficiary may retain this Security for as long as it sees fit.

33 SET-OFF

The Beneficiary may at any time set off any obligation due from the Chargor (to the extent beneficially owned by the Beneficiary) against any obligation owed by the Beneficiary to a Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Beneficiary may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

34 FINANCIAL COLLATERAL

34.1 To the extent that any of the Security Assets constitute "financial collateral" and this Deed constitutes a "security financial collateral arrangement" (as those terms are defined in the Regulations), the Beneficiary shall, upon this Security becoming enforceable and to the extent permitted by the Regulations, have the right to appropriate all or any part of that financial collateral in or towards the payment or discharge of the Secured Liabilities without obtaining any court authorisation and in such order as the Beneficiary may in its absolute discretion determine.

34.2 The Parties agree that the value of any Security Asset appropriated in accordance with sub-clause 34.1 above shall be:

34.2.1 in the case of cash, the amount of such cash plus any accrued but unposted interest attributable to such cash on the date of appropriation; and

34.2.2 in the case of Shares, the price of those Shares at the time the right of appropriation is exercised as listed on any recognised market index, as determined by an independent valuation or as determined by such other method as the Beneficiary may select.

34.3 The Parties agree that the method of valuation provided for in this Clause 34 is commercially reasonable for the purposes of the Regulations.

35 CURRENCY

35.1 Relevant Currency

Each Chargor is obliged under this Deed to discharge the Secured Liabilities in the Relevant Currency.

35.2 Receipt in wrong currency

If at any time the Beneficiary receives a payment (including by set-off) referable to any of the Secured Liabilities from any source in a currency other than the Relevant Currency, then that payment will take effect as a payment to the Beneficiary of the amount in the Relevant Currency which the Beneficiary is able to purchase (after deduction of any relevant costs) with the amount of the payment so received at the spot rate of exchange available to the Beneficiary for such purchase for such purchase in the London interbank market at or about 11:00 a.m. on that date.

35.3 Currency indemnity

35.3.1 If any sum due from any Chargor under this Deed (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which the Sum is payable into another currency (the "**Second Currency**") for the purposes of:

- (a) making or filing a claim against any Chargor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

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

35.3.2 Each Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than in which it is expressed to be payable.

36 PAYMENTS TO BE MADE WITHOUT DEDUCTION

36.1 No deductions

All sums payable by the Chargors under this Deed shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Beneficiary may designate. All such payments shall be made in full without set-off of any sum owing by the Beneficiary to any Chargor or counterclaim

and free and clear of any deductions of or withholding for or on account of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.

36.2 Grossing-up

If at any time a Chargor is required by law to make any deduction or withholding from any payment due from that Chargor to the Beneficiary, that Chargor shall simultaneously pay to the Beneficiary whatever additional amount is necessary to ensure that the Beneficiary receives a net sum equal to the payment it would have received had no deduction or withholding been made.

37 CERTIFICATES AND DETERMINATIONS

A certificate or determination by the Beneficiary or a Receiver of a rate or an amount for the time being due under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

38 ASSIGNMENT AND TRANSFER

38.1 Chargor consents to assignment/transfer by Beneficiary

Each Chargor consents to the assignment and/or transfer by the Beneficiary of any one or more of its rights and/or obligations under this Deed. The Beneficiary may, without consulting with or obtaining consent from any Chargor at any time charge, assign or otherwise create Security in or over its rights, benefits and interests under this Deed to secure any obligations of any Secured Party.

38.2 No assignment/transfer by Chargor

The Chargors may not assign or transfer any one or more of its rights and/or obligations under this Deed.

38.3 Confidentiality

The Beneficiary shall be entitled to disclose any information concerning the Chargors, the Security Assets and this Deed as it considers appropriate to:

- 38.3.1 any person proposing to take an assignment and/or transfer from the Beneficiary;
- 38.3.2 any person proposing to enter into contractual relations with the Beneficiary with respect to this Deed; and
- 38.3.3 any person to whom information may be required to be disclosed by an applicable law.

39 INDEMNITY TO THE BENEFICIARY AND THE RECEIVER

39.1 The Chargors shall promptly on demand indemnify the Beneficiary and every Receiver and Delegate against all costs, losses and liabilities incurred by any of them as a result of or in connection with:

- 39.1.1 any failure by any Chargor to comply with its obligations under Clause 40 (Costs and expenses);
- 39.1.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- 39.1.3 the taking, holding, protection, perfection, preservation or enforcement (or the attempt to do so) of the Security constituted under this Deed;
- 39.1.4 the exercise or purported exercise of any of the rights, powers, authorities, discretions and remedies vested in them by this Deed or by law;
- 39.1.5 any default or delay by any Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
- 39.1.6 instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; or
- 39.1.7 acting as Beneficiary, Receiver or Delegate under this Deed,

or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of the relevant Beneficiary's, Receiver's or Delegate's gross negligence or wilful misconduct).

40 COSTS AND EXPENSES

40.1 Transaction expenses

The Chargors shall promptly on demand pay the Beneficiary on a full indemnity basis the amount of all costs and expenses (including legal fees) incurred by the Beneficiary in connection with:

- 40.1.1 the negotiation, preparation, printing, execution, and perfection of this Deed, any other documents referred to in this Deed and this Security; and
- 40.1.2 an amendment, waiver or consent in connection with this Deed.

40.2 Enforcement and preservation costs

The Chargors shall, within three Business Days of demand, pay to each Secured Party on a full indemnity basis the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under this Deed and any proceedings instituted by or against any Secured Party as a consequence of taking or holding this Security or enforcing these rights.

41 MISCELLANEOUS

41.1 Variations

No variation of the terms of this Deed shall be valid unless such variation is in writing and signed by the Chargors and the Beneficiary.

41.2 Third party rights

41.2.1 Other than the Secured Parties a person who is not a Party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.

41.2.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

41.2.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to Clause 41.2.2 above and the provisions of the Third Parties Act.

41.3 Perpetuity period

The trusts created by this Deed have a perpetuity period of 125 years.

41.4 Counterparts

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

41.5 Illegality and compliance with law

No provision of this Deed shall oblige the Beneficiary to take any steps which:

41.5.1 may be illegal or contrary to applicable law or regulation; or

41.5.2 it expects will result in any expense or liability accruing to it, the payment of which is not, in its sole opinion, assured to it or it is not indemnified and/or secured and/or prefunded to its satisfaction against such liability.

The Beneficiary shall be entitled to take any action or to refuse to take any action which the Beneficiary regards as necessary for the Beneficiary to comply with any applicable law, regulation or fiscal requirement.

42 JOINT AND SEVERAL LIABILITY

42.1 Each Chargor shall be jointly and severally liable under this Deed.

42.2 The Beneficiary may take any action against or release or compromise the liability of any Chargor without affecting the liability of any other Chargor.

43 NOTICES

43.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

43.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

43.2.1 in the case of the Beneficiary, that identified by its name below; and

43.2.2 in the case of the Chargors, that identified by the relevant name below,

or any substitute address fax number or department or officer as the Chargors may notify to the Beneficiary (or the Beneficiary may notify to the Chargors, if a change is made by the Beneficiary) by not less than five Business Days' notice.

43.3 Delivery

43.3.1 Any communication or document made or delivered by the Beneficiary to the Chargors under or in connection with this Deed shall only be effective:

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to the relevant party at that address,

and, in the case of the Beneficiary, if a particular department or officer is specified as part of its address details provided under Clause 43.2 (*Addresses*), if addressed to that department or officer.

43.3.2 Any communication or document to be made or delivered to the Beneficiary will be effective only when actually received by the Beneficiary and then only if it is expressly marked for the attention of the department or officer identified with the Beneficiary's signature below (or any substitute department or officer as the Beneficiary shall specify for this purpose).

43.3.3 Any communication or document which becomes effective, in accordance with Clauses 43.3.1 and 43.3.2 above after 5.00pm in the place of receipt shall be deemed only to become effective on the following day.

44 GOVERNING LAW AND JURISDICTION

44.1 Governing law

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

44.2 Jurisdiction of English courts

44.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

44.2.2 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.

THIS DEED IS EXECUTED AS A DEED BY THE CHARGOR AND IS SIGNED FOR AND ON BEHALF OF THE BENEFICIARY AND IS DELIVERED AND TAKES EFFECT ON THE DATE AT THE BEGINNING OF THIS DEED.

SCHEDULE 1
- ADDITIONAL POWERS OF RECEIVER

A Receiver shall have the following additional rights, powers and discretions:

1 POSSESSION

A Receiver may take immediate possession of, get in and collect the Security Assets or any part thereof.

2 CARRY ON BUSINESS

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the whole or any part of the business of any Chargor as he in his discretion may think fit.

3 PROTECTION OF ASSETS

A Receiver may:

- 3.1.1 manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, substitute, refurbish, renew or add to the Security Assets (and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset) or concur in so doing;
- 3.1.2 commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on any Real Property; and/or
- 3.1.3 apply for and maintain any planning permissions, development consents, building regulation approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

4 EMPLOYEES

A Receiver may:

- 4.1 appoint and discharge any managers, officers, agents, accountants, servants, contractors, workmen and other personnel and professional advisers for the purposes of this Deed upon such terms and conditions as to remuneration or otherwise as he thinks fit; and/or
- 4.2 discharge any person appointed by any Chargor.

5 SALE OF ASSETS

A Receiver may:

- 5.1 sell, assign, 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 thinks fit. The consideration for the sale of any Security Asset may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which the Receiver thinks fit; and/or
- 5.2 sever fixtures (other than landlord's fixtures) and sell these separately from the property containing them without the consent of any Chargor.

6 LET, HIRE OR LEASE

A Receiver may:

- 6.1 let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- 6.2 grant rights, options or easements over and otherwise deal with or dispose of and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets; and
- 6.3 exchange or concur in exchanging the Security Assets;

in each such case in such manner and generally on such terms and conditions as he may in discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the relevant Chargor or otherwise.

7 VAT ELECTIONS

A Receiver may make, exercise or revoke any value added tax option to tax as he thinks fit.

8 REGISTRATION

A Receiver may use any Chargor's name to effect any registration or election for tax or other purposes.

9 INSURANCES

A Receiver may effect, review or vary insurances.

10 BORROWING

A Receiver may, for any purpose, raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to this Security or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or

purpose of the exercise of such power or as to the application of money so raised or borrowed.

11 MAKE CALLS

A Receiver may make, or require the directors of a Chargor to make, such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of that Chargor or the Receiver as the Receiver in his discretion may think fit) or otherwise.

12 COMPROMISE, LEGAL ACTION AND MEDIATION

A Receiver may:

- 12.1 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 a Chargor or relating in any way to any Security Asset;
- 12.2 bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit; and/or
- 12.3 refer to mediation any question in relation to any Security Asset that he thinks fit.

13 SUBSIDIARIES

A Receiver may:

- 13.1 form, or promote the formation of, any subsidiary of a Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- 13.2 arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and/or
- 13.3 arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit.

14 RECEIPTS

A Receiver may give valid receipts for any monies and execute any assurances and things which he in his discretion may think proper or desirable for realising any of the Security Assets.

15 ENVIRONMENT

A Receiver may conduct and complete all investigations studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Beneficiary or otherwise and comply with all lawful orders and directives relating to Environmental Law.

16 DELEGATION

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

17 LENDING

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

18 REDEEM PRIOR SECURITY

A Receiver may redeem any prior Security and settle and pass the accounts to which that prior Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on any Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

19 OTHER POWERS

A Receiver may:

- 19.1 do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers, remedies or discretions conferred on the Beneficiary or any Receiver under or by virtue of this Deed or by law;
- 19.2 exercise every power which the Receiver in its absolute discretion considers desirable for maintaining or enhancing the value of the Security Assets or in connection with the enforcement of this Security or the realisation of any Security Asset;
- 19.3 exercise in relation to any Security Asset all the powers, authorities and rights which he would be capable of exercising, and do all those acts and things he would be able to do, if he were the absolute legal and beneficial owner of that Security Asset;
- 19.4 any other acts and things it lawfully may do as agent for the Chargors; and/or
- 19.5 use the name of the Chargors for any of the purposes set out in Clause 20 (*Powers of Receiver*) or this Schedule 1.

**SCHEDULE 2
- MORTGAGED PROPERTY**

Part 1

Registered Land

Description of Property	Title Number
the University of Bolton Stadium, Burden Way, Horwich, Bolton BLG 6JW;	GM737515
the freehold land on the north side of Hall Lane, Lostock, Bolton;	MAN98363
the freehold land and building on the east side of Lostock Lane, Lostock, Bolton;	MAN98364
Logo Shop, 2 The Linkway, Middlebrook Leisure Park, Horwich	GM775859
Ticket Office, 1 The Linkway, Middlebrook Leisure Park, Horwich	GM775861
Overspill Car Park, land on the south west side of Burnden Way, Horwich	GM809366
Land lying to the South East of Edgemoor Avenue, Tyburn, Birmingham	WM342523
Land and buildings on the East Side of Sadler Road, Brownhills, Walsall	WM412509

Part 2

Unregistered Land

1 [Name of Chargor]

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

2 **[Name of Chargor]**

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

SCHEDULE 3
- SHARES

Chargor	Name of Company	Description of Shares (class and nominal value)	Number of Shares
Football Ventures (Whites) Limited	FWWL Football Limited	Ordinary (£1)	100
Football Ventures (Whites) Limited	FWWL Hotel Limited	Ordinary (£1)	1
FWWL Football Limited	Bolton Sporting Ventures Limited	Ordinary (£1)	7
FWWL Football Limited	Bolton Sports Village Limited	Ordinary (£1)	2

SCHEDULE 4
- ASSIGNED CONTRACTS

Each of the following contracts assigned to FVWL Football Limited:

- 1 The lease of the catering, conference and banqueting areas of the Stadium dated 29 January 2016 between (1) the Club and (2) Whites;
- 2 The benefit of the deed relating to the usage of the Stadium exhibition hall dated 5 December 2000 between (1) The Borough Council of Bolton, (2) Village, (3) the Club and (4) Whites;
- 3 The benefit of the catering agreement dated 24 May 1999 between (1) the Club and (2) Whites;
- 4 The sponsorship agreement dated on or around 25 July 2018 between (1) the Club and (2) The University of Bolton;
- 5 The sponsorship agreement dated 26th October 2016 (as varied on 15th February 2017) between (1) the Club and (2) Nationwide Franking Sense Ltd;
- 6 The sponsorship agreement dated 8th November 2018 between (1) the Club and (2) Stadia Utilities Limited;
- 7 The hire purchase agreement dated 8th August 2017 between (1) the Club and (2) PEAC (UK) Limited;
- 8 any contracts between the Club and football players.

SCHEDULE 5
- INSURANCE POLICIES

SCHEDULE 6
- FORM OF LEGAL MORTGAGE

THIS DEED is dated [] between:

[INSERT THE RELEVANT CHARGOR FROM THE OPTIONS BELOW]

- (1) [FVWL FOOTBALL LIMITED incorporated and registered in England and Wales with company number 12090433 whose registered office is at 180 Great Portland Street, London W1W 5QZ (the "Chargor"); and]
- (2) [FOOTBALL VENTURES (WHITES) LIMITED incorporated and registered in England and Wales with company number 11761052 whose registered office is also at 180 Great Portland Street, London W1W 5QZ (the "Chargor"); and]
- (3) [BOLTON SPORTING VENTURES LIMITED incorporated and registered in England and Wales with company number 03225433 whose registered office is at University of Bolton Stadium, Burnden Way, Lostock, Bolton, England BL6 6JW (the "Chargor"); and]
- (4) [BOLTON SPORTS VILLAGE LIMITED incorporated and registered in England and Wales with company number 03025835 whose registered office is also at University of Bolton Stadium, Burnden Way, Lostock, Bolton, England BL6 6JW (the "Chargor"); and]
- (5) FILDRAW LIMITED a company incorporated in the British Virgin Islands whose registered office is at P.O. Box 3140, Wickhams Cay 1, Road Town, Tortola VG1110, British Virgin Islands, with company number 1552697 (the "Beneficiary").

BACKGROUND

The Chargor enters into this Deed in connection with the Settlement Agreement (as defined below).

IT IS AGREED as follows:

1 DEFINITIONS

In this Deed:

- | | |
|-----------------------------|--|
| Debenture | means the debenture dated [] granted by the Chargor in favour of the Beneficiary; |
| Settlement Agreement | means the agreement dated [INSERT DATE] between[, amongst others] [INSERT NAME OF BORROWER] and the Beneficiary; |
| Mortgaged Property | means any freehold, leasehold or immovable property specified in the Schedule 2 (<i>Mortgaged Property</i>). |

2 CONSTRUCTION

- 2.1 Unless defined in this Deed, a term defined in the Debenture has the same meaning in this Deed and in any notice given under or in connection with this Deed.
- 2.2 The provisions of clauses 2.2.1 to 2.2.13 (inclusive), clause 2.3 to 2.9 (inclusive), clause 2.11 to 2.13, clauses 5 and 6, and clauses 17 to 43 (inclusive) of the Debenture are incorporated into this Deed as if set out in this Deed in full (with the necessary modifications) except that references in those clauses to the Debenture shall be construed as references to this Deed and all references in those clauses to Security Assets shall be construed as references to the Mortgaged Property.

3 UNDERTAKING TO PAY

The Chargor covenants with the Beneficiary, on demand, to pay, discharge and satisfy all the Secured Liabilities when due and to indemnify the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Liabilities in accordance with their respective terms.

4 SECURITY

- 4.1 All Security created under this Deed:
- 4.1.1 is created in favour of the Beneficiary;
 - 4.1.2 is a continuing security for the payment, discharge and performance of all the Secured Liabilities except for any Secured Liabilities which, if secured by this Deed, would cause such Security to be unlawful or prohibited by any applicable law; and
 - 4.1.3 is granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 4.2 Subject to Clause 32 (*Release of Security*) of the Debenture, the Security constituted by this Deed shall remain in full force and effect as continuing security for the Secured Liabilities until the Discharge Date and shall not be released before then by any settlement of account, intermediate payment, discharge or satisfaction of all or any of the Secured Liabilities or for any other reason.
- 4.3 The Chargor charges by way of first legal mortgage all estates and interests in each Mortgaged Property and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use any of the Mortgaged Property.

5 APPLICATION TO THE LAND REGISTRY

The Chargor consents to an application being made to the Land Registry to enter the following restriction on the Register of Title relating to any Real Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Fildraw Limited referred to in the charges register or their conveyancer".

6 MISCELLANEOUS

6.1 Third party rights

6.1.1 Other than the Secured Parties a person who is not a party to this Deed has no rights 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.

6.1.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

6.1.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to Clause 6.1.2 above and the provisions of the Third Parties Act.

6.2 Finance Document

This Deed is designated as a Finance Document.

7 COUNTERPARTS

This Deed may be executed in a number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

8 GOVERNING LAW AND JURISDICTION

8.1 Governing law

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

8.2 Jurisdiction of English courts

8.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

8.2.2 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.

8.2.3 Notwithstanding Clause 8.2.1 above, the Beneficiary shall not be prevented from taking proceedings relating to a Dispute in any other courts with

jurisdiction. To the extent allowed by law, the Beneficiary may take concurrent proceedings in any number of jurisdictions.

9 [SERVICE OF PROCESS]

9.1 Without prejudice to any other mode of service allowed under any relevant law, the Chargor:

9.1.1 irrevocably appoints [•] as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed; and

9.1.2 agrees that failure by a process agent to notify the Chargor of the process will not invalidate the proceedings concerned.

9.2 If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Chargor must immediately (and in any event within [•] days of such event taking place) appoint another agent on terms acceptable to the Beneficiary. Failing this the Beneficiary may appoint another agent for this purpose.

THIS DEED IS EXECUTED AS A DEED BY THE CHARGOR AND IS SIGNED FOR AND ON BEHALF OF THE BENEFICIARY AND IS DELIVERED AND TAKES EFFECT ON THE DATE STATED AT THE BEGINNING OF THIS DEED.

EXECUTION PAGES TO THE LEGAL MORTGAGE

CHARGOR

EXECUTED AS A DEED by FVWL)
FOOTBALL LIMITED by _____)
and _____ : _____)

Director

Director/Secretary

Addresses for notices

Address for Notices: [•]

Fax No: [•]

Attention of: [The Directors]

BENEFICIARY

EXECUTED AS A DEED by FILDRAW)
LIMITED, a company incorporated in the)
British Virgin Islands, acting by _____ and)
_____ who, in accordance with the laws)
of that territory, are acting under the)
authority of the company)

.....
[Signature of authorised signatory]

Signature in the name of the company:

.....

Signature of [Authorised Signatory 1]

[Authorised Signatory]

.....

Signature of [Authorised Signatory 2]

[Authorised Signatory]

.....

Addresses for notices

Address for Notices: [•]

Fax No: [•]

Attention of: Charles Russell Speechlys LLP

SCHEDULE 1

Mortgaged Property¹

Part 1

Registered Land

County and District/London Borough	Description of Property	Title Number
---------------------------------------	-------------------------	--------------

Part 2

Unregistered Land

1 [NAME OF CHARGOR]

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

2 [NAME OF CHARGOR]

The freehold/leasehold property known as [REDACTED] and comprised in the following title (deed)(s) and other documents of title.

Date	Document	Parties

¹ The Property listed must be owned by the Chargor at the time the Legal Mortgage is entered into.

SCHEDULE 7
- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR TENANT

Part 1

Form of Notice to Tenant

[On the Letterhead of the Chargor]

To: [The Tenant]
[Address of Unit]
Copy to: []
(as Beneficiary)
Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between [] (the "Chargor") and [] (the "Beneficiary")

This letter constitutes notice to you that pursuant to the Debenture we have [assigned to / charged (by way of first fixed charge) in favour of] the Beneficiary all our present and future rights under or in connection with the lease between you and us [*insert details of lease*] (the "**Lease**") (including our rights to the Rental Income (as defined in the Debenture)) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Lease, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Lease, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Lease; and
- (b) all rights, interests and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Lease.

We irrevocably authorise and instruct you to:

- 1 disclose to the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Lease as the Beneficiary may at any time request;
- 2 deal only with us in relation to the Lease unless and until you receive written instructions from the Beneficiary to the contrary;

- 3 pay to us all sums from time to time due and payable by you under the Lease to us, until such time as you receive notice from the Beneficiary instructing you otherwise (the "**Instruction Notice**") following which you shall comply with all instructions contained in such Instruction Notice or in any subsequent notice or instructions relating to the Lease or the debts represented by such Lease which you receive from the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for or validity of such notice or instruction); and
- 4 send copies of all notices and communications relating to the Lease to the Beneficiary as well as to us.

We further instruct you that upon receipt of notice from the Beneficiary that an Event of Default has occurred and is continuing:

- 1 all remedies provided for in the Lease or available at law or in equity are exercisable by the Beneficiary (provided that the Beneficiary shall have no greater rights under this notice than we have under the Lease);
- 2 all rights to compel performance of the Lease are exercisable by the Beneficiary although the Chargor shall remain liable to perform all of the obligations assumed by it under the Lease; and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising from the Lease belong to the Beneficiary to the exclusion of the Chargor.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Lease and that neither the Beneficiary, any Receiver nor any of their agents will at any time have any obligation or liability to you under or in respect of the Lease.

We are not permitted to agree any amendment or supplement to, or to waive any term of the Lease, or to terminate the Lease or to allow it to lapse other than where the Lease expires in accordance with its terms and not by reason of default without the prior written consent of the Beneficiary.

The instructions in this notice may not be revoked or amended without the prior written consent of the Beneficiary.

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

Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Beneficiary officer]** at **[insert address details of Beneficiary]** with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of **[insert details of the chargor]**

Part 2 -
Form of Acknowledgement from Tenant

[On the letterhead of the Tenant]

To: [Beneficiary]

Copy to: [Chargor details]

Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between [] (the "Chargor") and [] (the "Beneficiary")

We confirm receipt from the Chargor of a notice dated [] (the "Notice") of [an assignment/a first fixed charge], pursuant to the terms of the Debenture, of all the Chargor's present and future rights under or in connection with the lease between you and us [insert details of lease] (the "Lease") (including the Chargor's rights to the Rental Income (as defined in the Debenture)) and all Related Rights (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and we undertake to act in accordance with and comply with the terms of the Notice;
- 2 we have not received notice of the creation of any other assignment of or security over rights or proceeds arising under the Lease in favour of any third party or the creation of any other third party interest in those rights or proceeds, or any third party claim, demand or action in respect of those rights and proceeds, and we will notify you promptly should we receive any such notice;
- 3 we have not claimed or exercised nor do we have any outstanding right to claim or exercise against the Chargor any right of set-off, counter claim or other right relating to the Lease;
- 4 we agree that no term of the Lease may be amended, supplemented or waived without your prior written consent; and
- 5 we agree that the Lease may not be terminated without your prior written consent.

All terms used in this acknowledgement have the same meaning as in the Notice.

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

Yours faithfully

.....
For and on behalf of ***[Name of Tenant]***

SCHEDULE 8
FORM OF NOTICE TO ACCOUNT BANK

[On the Letterhead of the Chargor]

To: [name and address of third party bank]

Attention: []

Copy to: [Beneficiary details]

Date: []

Dear Sirs

Debenture dated [] (the "Debenture") between [] (the "Chargor") and [] (the "Beneficiary")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to/charged (by way of first fixed charge) in favour of] the Beneficiary all our present and future rights and interest in and to account number(s) *[insert details of accounts charged]* in our name (the "**Charged Account(s)**") together with all money from time to time standing to the credit of those Charged Account(s), all interest accruing in relation to such Charged Account(s) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of each Charged Account, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to that Charged Account, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Charged Account; and
- (a) all rights, interests and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of that Charged Account.

We hereby irrevocably authorise and instruct you to:

- 1 disclose to the Beneficiary on request to you by the Beneficiary, without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Charged Account(s) and the sums in the Charged Account(s) as the Beneficiary may from time to time request;
- 2 credit to each Charged Account all interest from time to time earned on the sums of money held in that Charged Account;
- 3 operate each Charged Account in accordance with the existing account mandate(s) until you have been given a notice that an Event of Default has occurred and is continuing ("**Default Notice**");

- 4 comply with the written directions of the Beneficiary in relation to the Charged Account following receipt by you of a Default Notice. For the avoidance of doubt, upon receipt of a Default Notice you should only permit monies to be drawn on or debited to the Charged Account in accordance with the written directions of the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification of such directions or instructions or the validity of them);
- 5 debit the Charged Account with your costs and charges in connection with the opening, maintenance and operation of each Charged Account both before and after receipt by you of a Default Notice;
- 6 exercise any right of combination, consolidation, merger or set off which you may have in respect of any monies standing or accruing to the credit of the Charged Account up until the time that you receive a Default Notice; and
- 7 send copies of all notices and communications relating to the Charged Account(s) to the Beneficiary as well as to us.

Please note that we are and will remain liable to perform all the obligations assumed by us under any mandate or other agreement relating to the Charged Account(s) and that neither the Beneficiary, any Receiver nor any of their agents nor any other person will at any time have any obligation or liability to you regarding the Charged Account(s).

We are not permitted, without the Beneficiary's prior written consent, to permit or agree to any variation of the terms and conditions relating to the Charged Account(s) or to close the Charged Account(s).

The instructions in this notice may not be revoked or varied without the prior written consent of the Beneficiary.

We acknowledge that you may comply with the instructions in this notice without any further permission from us.

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

Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Beneficiary officer]** at **[insert address details of Beneficiary]** with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of **[insert details of the chargor]**

Part 2

Form of Acknowledgement from Account Bank

[On the letterhead of the Account Bank]

To: [Beneficiary]
Attention: [REDACTED]
Copy to: [Chargor details]
Date: [REDACTED]

Dear Sirs

Debenture dated [REDACTED] (the "Debenture") between [REDACTED] (the "Chargor") and [REDACTED] (the "Beneficiary")

We confirm receipt from the Chargor of a notice dated [REDACTED] (the "Notice") of the creation of [an assignment/a first fixed charge], pursuant to the terms of the Debenture, of all the Chargor's present and future rights and interest in and to account number(s) *[insert details of accounts charged]* held with us in the name of [the Chargor] (the "Blocked Account(s)") together with all money from time to time standing to the credit of those Blocked Account(s), all interest accruing in relation to such Blocked Account(s) and all Related Rights (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to comply with the terms of the Notice;
- 2 we have not received notice of the creation of any other assignment of or security over the Charged Account(s) or of the creation of any third party interest in the Charged Account(s) or in the sums of monies held in the Charged Account(s) or the debts represented by those sums, or any third party claim, demand or action in respect of any Charged Account or those sums or debts, and we will notify you promptly should we receive any such notice;
- 3 upon receipt of a Default Notice from you, we shall not exercise or seek to assert or exercise any right of combination, consolidation, merger, counterclaim or set off which we may have in respect of any monies standing or accruing to the credit of any Charged Account; and
- 4 we will not amend the terms or conditions upon which any Charged Account is operated or close any Charged Account without your prior written consent.

All terms used in this acknowledgement have the same meaning as in the Notice.

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

Yours faithfully

.....
for and on behalf of
[third party bank]

SCHEDULE 9
- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR COUNTERPARTY

Part 1

Form of Notice to Counterparty

[On the letterhead of the Chargor]

To: [Contract counterparty]

Copy to: [Beneficiary details]

Date: []

Dear Sirs

Debenture dated [] between [] (the "Chargor") and [] (the "Beneficiary") (the "Debenture")

This letter constitutes notice to you that pursuant to the Debenture we have [assigned to / charged (by way of first fixed charge) in favour of] the Beneficiary all our present and future rights under or in connection with [*insert details of Contract*] (the "**Contract**") (including under any guarantee, warranty or indemnity granted in relation to the Contract) and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Contract, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Contract, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Contract; and
- (b) all rights, interests and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Contract.

We irrevocably authorise and instruct you to:

- 1 disclose to the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Contract as the Beneficiary may at any time request;
- 2 deal with us in relation to the Contracts;
- 3 pay to us all sums from time to time due and payable by you under the Contract, until such time as you receive notice from the Beneficiary instructing you otherwise (an "**Instruction Notice**") following which you shall comply with all instructions contained

in such Instruction Notice or in any subsequent notice or instructions relating to the Contract or the debts represented by such Contract which you receive from the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for or validity of such notice or instruction);] and

- 4 send copies of all notices and communications relating to the Contract to the Beneficiary as well as to us.

We further instruct you that upon receipt of notice from the Beneficiary that an Event of Default has occurred:

- 1 all remedies provided for in the Contract or available at law or in equity are exercisable by the Beneficiary (provided that the Beneficiary shall have no greater rights under this notice than we have under the Contract);
- 2 all rights to compel performance of the Contract are exercisable by the Beneficiary although the Chargor shall remain liable to perform all of the obligations assumed by it under the Contract; and
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of us arising from the Contract belong to the Beneficiary to the exclusion of the Chargor.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Contract and that neither the Beneficiary, any Receiver nor any of their agents nor any other person will at any time have any obligation or liability to you under or in respect of the Contract.

We are not permitted to agree any amendment or supplement to, or to waive any term of the Contract, or to terminate the Contract or to allow it to lapse other than where the Contract expires in accordance with its terms and not by reason of default without the prior written consent of the Beneficiary.

The instructions in this notice may not be revoked or amended without the prior written consent of the Beneficiary.

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

Please confirm your agreement to the above by sending the attached acknowledgement to **[identify Beneficiary officer]** at **[insert address details of Beneficiary]**, with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of **[insert details of the chargor]**

Part 2

Form of Acknowledgement from Counterparty

[On the letterhead of the Counterparty]

To: [Beneficiary]

[Address]

Copy: [Chargor]

Date: []

Dear Sirs

Debenture dated [] between [] (the "Chargor") and [] (the "Beneficiary") (the "Debenture")

We confirm receipt from the Chargor of a notice dated [] (the "Notice") of [an assignment/a first fixed charge], pursuant to the terms of the Debenture, of all the Chargor's present and future rights under or in connection with *[insert details of Contract]* (the "Contract") (including under any guarantee, warranty or indemnity granted in relation to the Contract) and all Related Rights (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and we undertake to act in accordance with and comply with the terms of the Notice;
- 2 there has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract;
- 3 we have not received notice of the creation of any other assignment of or security over rights or proceeds arising under the Contract in favour of any third party or the creation of any other third party interest in those rights or proceeds, or any third party claim, demand or action in respect of those rights and proceeds, and we will notify you promptly should we receive any such notice;
- 4 we have not claimed or exercised nor do we have any outstanding right to claim or exercise against the Chargor any right of set-off, counter claim or other right relating to the Contract; and

- 5 we agree that no term of the Contract may be amended, supplemented or waived without your prior written consent;
- 6 we agree that the Contract may not be terminated or allowed to lapse [other than where the Contract expires in accordance with its terms and not by reason of default] without your prior written consent.

All terms used in this acknowledgement have the same meaning as in the Notice.

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

Yours faithfully

.....
For and on behalf of [*insert name of counterparty*]

SCHEDULE 10
- FORM OF NOTICE AND ACKNOWLEDGEMENT FOR INSURER

Part 1

Form of Notice to Insurer

[On the letterhead of the Chargor]

To: [insert name and address of Insurer]

Copy to: [Beneficiary details]

Date: []

Dear Sirs

Debenture dated [] between [] (the "Chargor") and [] (the "Beneficiary") (the "Debenture")

This letter constitutes notice to you that, pursuant to the Debenture, we have [assigned to / charged (by way of first fixed charge) in favour of] the Beneficiary all amounts payable to us under or in connection with the following policies [*Insert description of Insurances*] (the "**Policies**"), all our rights in connection with those amounts and/or the Policies and all Related Rights.

In this notice, "**Related Rights**" means, in respect of the Policies, all present and future:

- (a) money and proceeds of any nature paid or payable in relation to the Policies, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Policy; and
- (b) all rights, interests and assets of any nature attaching to, deriving from or exercisable as a result of an interest in or ownership or operation of the Policies.

We irrevocably authorise and instruct you to:

- 1 disclose to the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Policies as the Beneficiary may at any time request;
- 2 hold all sums from time to time due and payable by you to us under the Policies to the order of the Beneficiary;

- 3 pay any sums from time to time due and payable by you under the Policies to the Beneficiary [to the following account: ***[insert account details]*** or] in accordance with any written instructions given to you by the Beneficiary from time to time;
- 4 comply with the terms of any written notice or instructions relating to the Policies which you receive from the Beneficiary without any reference to or further authority from us (and without any enquiry by you as to the justification for or validity of such notice or instruction); and
- 5 send copies of all notices issued under the Policies to the Beneficiary as well as to us.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Policies and that neither the Beneficiary, any Receiver nor any of their agents nor any other person will have any obligation or liability to you under the Policies.

We are not permitted to agree any amendment or supplement to or to waive any term of the Policies or to terminate any Policy without the prior written consent of the Beneficiary.

The instructions in this notice cannot be revoked or amended without the prior written consent of the Beneficiary.

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

Please confirm your agreement to the above by sending the attached acknowledgement to ***[identify Beneficiary officer]*** at ***[insert address details of Beneficiary]***, with a copy to us at the above address.

Yours faithfully

.....
For and on behalf of ***[insert details of the chargor]***

Part 2

Form of Acknowledgement from Insurer

[On the letterhead of the Insurer]

To: [Beneficiary]

[Address]

Copy: [Chargor]

Date: []

Dear Sirs

Debenture dated [] between [] (the "Chargor") and [] (the "Beneficiary") (the "Debenture")

We acknowledge receipt from the Chargor of a notice dated [] (the "Notice") of an assignment, pursuant to the terms of the Debenture, of all amounts payable to the Chargor under or in connection with the Policies (as defined in the Notice), all the Chargor's rights in connection with those amounts and/or the Policies, and all Related Rights (as defined in the Notice).

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to act in accordance with and comply with the terms of the Notice;
- 2 we will not terminate or otherwise allow any of the Policies to lapse without giving you at least 30 days' prior written notice;
- 3 there has been no amendment, waiver or release of any rights or interests in the Policies since the date(s) on which the Policies were issued;
- 4 we have not received notice of the creation of any other assignment of or any security over rights or proceeds arising under the Policies in favour of any third party or the creation of any other third party interest in those rights or proceeds, or any third party claim, demand or action in respect of those rights and proceeds, and we will notify you promptly should we receive any such notice;
- 5 we will notify you, the Beneficiary, at least 30 days before the Policy is due to expire, if we have not received the Chargor's renewal instructions in relation to such Policy;

- 6 we agree that no term of the Policies may be amended, supplemented or waived without your prior written consent;
- 7 we agree to notify you if the Chargor breaches the terms of any Policy or otherwise gives us grounds to declare any Policy void or voidable and, where the breach is capable of being remedied, to allow you or your agents to remedy the relevant breach; and
- 8 we have not claimed or exercised, and have no outstanding right to claim or exercise, any right of set-off or counterclaim, or other right, in relation to any sum paid or payable under the Policy.

All terms used in this acknowledgement have the same meaning as in the Notice.

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

Yours faithfully

.....
For and on behalf of

[Name of insurance company]

EXECUTION PAGES

CHARGORS

EXECUTED AS A DEED by FWFL)
FOOTBALL LIMITED by a director in the
presence of:)

)

Director

Signature of Witness:

Name:

Address:

Occupation:

Addresses for notices

Address for Notices: 180 Great Portland Street, London W1W 5QZ

Fax No: N/A

Attention of: The Directors

EXECUTED AS A DEED by FOOTBALL)
VENTURES (WHITES) LIMITED by a director
in the presence of:)

Director

Signature of Witness:

Name:

Address:

Occupation:

Addresses for notices

Address for Notices: 180 Great Portland Street, London W1W 5QZ

Fax No: N/A

Attention of: The Directors

EXECUTED AS A DEED by BOLTON)
SPORTING VENTURES LIMITED by a)
director in the presence of:

)

Director

Signature of Witness:

Name:

Address:

Occupation:

Addresses for notices

Address for Notices: 180 Great Portland Street, London W1W 5QZ

Fax No: N/A

Attention of: The Directors

EXECUTED AS A DEED by BOLTON)
SPORTS VILLAGE LIMITED by a director in
the presence of:)

)
Director

Signature of Witness:

Name:

Address:

Occupation:

Addresses for notices

Address for Notices: 180 Great Portland Street, London W1W 5QZ

Fax No: N/A

Attention of: The Directors

BENEFICIARY

EXECUTED AS A DEED by **FILDRAW)**
LIMITED, a company incorporated in the)
British Virgin Islands, acting by Keith)
Spengler and Conyers Director (BVI) Limited)
who, in accordance with the laws of that)
territory, are acting under the authority of the)
company

Conyers Director (BVI) Limited is
incorporated in the British Virgin Islands and
is acting by Craig MacIntyre who, in
accordance with the laws of that territory, is
acting under the authority of Conyers
Director (BVI) Limited.

Signature in the name of the company:

Fildraw Limited
FILDRAW LIMITED

Signature of authorised signatory

Signature in the name of Conyers Director
(BVI) Limited

Conyers Director (BVI) Limited

Signature of authorised signatory of Conyers
Director (BVI) Limited

Authorised signatory



Craig W. MacIntyre, Director

Addresses for notices

Address for Notices:

Fax No:

N/A

Attention of:

The Directors

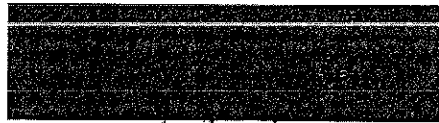
BENEFICIARY

EXECUTED AS A DEED by **FILDRAW)**
LIMITED, a company incorporated in)
the British Virgin Islands, acting by Keith)
Spengler and Conyers Director (BVI))
Limited who, in accordance with the laws)
of that territory, are acting under the)
authority of the company
Conyers Director (BVI) Limited is
incorporated in the British Virgin Islands
and is acting by Craig MacIntyre
who, in accordance with the laws of that
territory, is acting under the authority
of Conyers Director (BVI) Limited.

Signature in the name of the company:

Fildraw Limited
FILDRAW LIMITED

Signature of authorised signatory



KEITH SPENGLER
DIRECTOR

Signature in the name of Conyers Director
(BVI) Limited

CONYERS Director (BVI) Limited

Signature of authorised signatory of Conyers
Director (BVI) Limited

Authorised signatory


Craig W. MacIntyre, Director

Addresses for notices

Address for Notices:

Fax No: N/A

Attention of: The Directors