Companies House

MR01 (ef)

Registration of a Charge

Company name: **AVANTON OKR (2) LIMITED**

Company number: **11822833**

Received for Electronic Filing: **02/04/2019**

X82IXEYI

Details of Charge

Date of creation: **29/03/2019**

Charge code: **1182 2833 0001**

Persons entitled: **SOLUTUS ADVISORS LIMITED**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **MAPLES TEESDALE LLP**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11822833

Charge code: 1182 2833 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th March 2019 and created by AVANTON OKR (2) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd April 2019 .

Given at Companies House, Cardiff on 3rd April 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

EXECUTION VERSION

DATED 29 March 2019

(1) AVANTON OKR (2) LIMITED

(2) KEYBORNE CAPITAL LIMITED

(3) OKR HOLDINGS LIMITED

(as Chargors)

AND

(2) SOLUTUS ADVISORS LIMITED (as Security Agent)

SHAREHOLDERS' SECURITY AGREEMENT

maples teesdale

TABLE OF CONTENTS

1. INTERPRETATION 1
2. COVENANT TO PAY 6
3. CHARGING CLAUSE 6
4. DEPOSIT OF TITLE DOCUMENTS 7
5. VOTING AND DIVIDENDS 8
6. REPRESENTATIONS AND WARRANTIES 9
7. UNDERTAKINGS 11
8. FURTHER ASSURANCE 14
9. ENFORCEMENT OF SECURITY 14
10. RECEIVER 17
11. APPLICATION OF MONIES 17
12. SECURITY POWER OF ATTORNEY 18
13. REMEDIES AND WAIVERS 18
14. SETTLEMENTS CONDITIONAL 19
15. SUBSEQUENT SECURITY 19
16. PARTIAL INVALIDITY 19
17. COVENANT TO RELEASE 20
18. PROTECTION OF SECURITY AGENT AND RECEIVER 20
19. INDEMNITY 20
20. DELEGATION 21
21. SET-OFF 21
22. CURRENCY CLAUSES 21
23. PAYMENTS TO BE MADE WITHOUT DEDUCTION 22
24. CALCULATIONS AND CERTIFICATES 22
25. COSTS AND EXPENSES 22
26. MISCELLANEOUS 23
27. NOTICES 23
28. GOVERNING LAW AND JURISDICTION 24
29. DELIVERY AS A DEED 25

SCHEDULE 1 26

SCHEDULE 2 27

THIS DEED is dated 29 March 2019

BETWEEN:

(1) **AVANTON OKR (2) LIMITED** a limited liability company registered in England and Wales with company number 11822833 whose registered office is at Avanton Ltd, 56 Queen Anne Street, London W1G 8LA;

(2) **KEYBORNE CAPITAL LIMITED** a limited liability company registered in England and Wales with company number 11838707 whose registered office is at 21-23 Elmfield Road, Bromley BR1 1LT;

(3) **OKR HOLDINGS LIMITED** a limited liability company registered in England and Wales with company number 11837033 whose registered office is at 5 Fullers Grove, Fullers Hill, Chesham, Bucks, HP5 1LR,

((1) - (3) above each a **"Chargor"** and together the **"Chargors"**); and

(4) **SOLUTUS ADVISORS LIMITED** a limited liability company (registered in England and Wales with company number 07350379) whose registered office is at 48 Warwick Street, London W1B 5AW as agent and trustee for the Secured Parties (the **"Security Agent"**).

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed:

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

"Borrower" means Southwark Estates (One) Limited, a limited liability company registered in England and Wales with company number 11492926 whose registered office is at 5 Fullers Grove, Fullers Hill, Chesham, Bucks., HP5 1LR;

"Business Day" has the meaning given to that term in the Facility Agreement;

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

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

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

"Event of Default" means any event or circumstance specified as an Event of Default under the Facility Agreement;

"Facility Agreement" means the facility agreement dated on or around the date hereof and made between the Borrower, the Security Agent as agent and security

agent, and Cheyne Real Estate Credit (CRECH) IV-Loans S.à r.l. 2 as original lender;

"Finance Documents" has the meaning given to that term in the Facility Agreement;

"Finance Party" has the meaning given to that term in the Facility Agreement;

"Initial Shares" means those shares, stocks, debentures, bonds, warrants and other securities or investments (whether in certificated or uncertificated form) described in the Schedule 1(*Particulars of Initial Shares*);

"LPA" means the Law of Property Act 1925;

"Party" means a party to this Deed;

"Receiver" means a receiver or receiver and manager or (if applicable under the relevant law) an administrative receiver in each case appointed under this Deed;

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

"Related Rights" means all present and future:

(a) shares, stocks, debentures, bonds, warrants, 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 Shares;

(b) rights to subscribe for, purchase or otherwise acquire any Shares through options, warrants or otherwise;

(c) rights accruing or relating to any Shares deposited with or registered in the name of any depository, custodian, nominee, clearing house or investment manager or similar person whether on a fungible basis or otherwise and including all rights against such person; and

(d) all other rights and assets attaching to, deriving from or exercisable as a result of the ownership of any of the Shares;

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

"Relevant Jurisdiction" means, in relation to each Chargor:

(a) its jurisdiction of incorporation;

(b) any jurisdiction where any Secured Asset is situated;

(c) any jurisdiction where it conducts its business; and

(d) the jurisdiction whose laws govern the perfection of this Deed;

"Secured Assets" means the rights, interests and assets from time to time subject, or expressed to be subject, to the Security created or expressed to be created by this Deed;

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by the Borrower or any other person) of each Transaction Obligor to the Secured Parties (or any of them) under each of the Finance Documents;

"Secured Party" has the meaning given to that term in the Facility Agreement;

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

"Security Document" has the meaning given to that term in the Facility Agreement;

"Shares" means:

(a) all present and future shares in the Borrower, including the Initial Shares; and

(b) all Related Rights;

"Shareholders' Agreement" means the joint venture and shareholders' agreement dated 5 March 2019 and made between each of the Shareholders and the Borrower.

"Subordinated Debt" means all present and future obligations and liabilities (whether actual or contingent, whether owed solely or jointly with any other person and whether incurred as principal or surety) now or in the future due, owing or incurred by the Borrower to the Chargors in any currency, together with all interest on any of the same and all costs, charges and expenses incurred in connection with any of the same;

"Subordinated Debt Documentation" means all agreements evidencing or recording the terms of the Subordinated Debt from time to time; 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 delay in paying any of the same).

1.2 **Construction**

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

(a) **"Secured Assets"** or **"Secured Liabilities"** is deemed to include a reference to any part of them and to any proceeds deriving from them;

(b) **"Borrower"**, **"Chargor"**, **"Security Agent"**, **"Secured Parties"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Finance Documents;

(c) this **"Deed"** or a **"Finance Document"** or any other agreement or instrument is a reference to this Deed, that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated from time to time;

(d) **"assets"** includes present and future properties, revenues and rights of every description;

(e) **"disposal"** includes a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary and **"dispose"** will be construed accordingly;

(f) **"guarantee"** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

(g) **"indebtedness"** includes any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present, future, actual or contingent;

(h) **"losses"** includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and **"loss"** shall be construed accordingly;

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

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

(k) a provision of a statute, rule or regulation is deemed to include a reference to that provision as amended or re-enacted from time to time; and

(l) the singular is deemed to include the plural and vice versa.

1.2.2 In this Deed, section, clause and schedule headings are for ease of reference only.

1.2.3 In this Deed, unless the context otherwise requires or unless otherwise defined in this Deed, words and expressions defined in the Facility Agreement have the same meanings when used in this Deed.

1.2.4 Where there are two or more persons included in the expression "the Chargors" all assignments, guarantees, indemnities, agreements, undertakings, covenants, warranties and representations given, undertaken, made or assumed by the Chargors and expressed to be given by "the Chargors", "a Chargor" or "each Chargor" under or in connection with this Deed shall be deemed to have been given, undertaken, made or assumed by them jointly and severally, and shall be construed accordingly.

1.2.5 Without prejudice to the foregoing, the obligations and liabilities of the Chargors under or in connection with this Deed are joint and several. Accordingly, whilst any one of them may make payments under this Deed, they shall be jointly and severally liable whether or not such liability is specifically referred to in this Deed. The failure by any Chargor to perform its obligations under this Deed shall not affect the

obligations of the other persons comprised in "the Chargors" and the effectiveness of this Deed shall not be revoked or impaired as to any of them by any contingency affecting any other of them or by the revocation or release of any obligations under this Deed of any of them or by any time or any indulgence granted to any of them.

1.2.6 Each Chargor by its execution of this Deed irrevocably appoints each other Chargor (each being, a **"Chargor Agent"**) to act on its behalf (the **"Appointor"**) as its agent in relation to the Finance Documents and irrevocably authorises:

(a) that Chargor Agent to supply on its behalf all information concerning itself contemplated by this Deed and required by the Security Agent and to give all notices and instructions to make such agreements and/or restatements and to effect the relevant amendments and/or restatements supplements and variations capable of being given, make or effected by any person as Chargor, without further reference to the Appointor (notwithstanding that they may affect the Appointer) or the consent of the Appointer; and

(b) the Security Agent to give any notice, demand or other communication to the Appointer pursuant to this Deed to any Chargor Agent,

and in each case the Appointer shall be bound as though it had been party to any of the foregoing in place of the Chargor Agent.

1.2.7 Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given, made or received by any Chargor Agent shall (if it is made or received in its capacity as a Chargor Agent) be binding for all purposes on the Appointor as if the Appointor had been party to, or recipient of, that act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication, in place of the Chargor Agent. In the event of any conflict between any notices or communications from any Chargor, those first provided to the Security Agent shall prevail.

1.2.8 The parties intend that this document shall take effect as a deed.

1.3 **Third party rights**

1.3.1 Unless expressly provided to the contrary in a Finance Document and subject to Clause 1.3.3 below, a person that is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 (the **"Third Parties Act"**) to enforce or enjoy any benefit of any term of this Deed.

1.3.2 Notwithstanding any term of any Finance Document, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.

1.3.3 Any Receiver or Delegate or any other person may, subject to this clause 1.3 (*Third party rights*) and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

1.4 **Limited recourse**

Notwithstanding any other provision of this Deed, it is expressly agreed and understood that:

(a) the sole recourse of the Secured Parties to the Chargors under this charge is to the Chargors' interests in the Secured Assets; and

(b) the liability of the Chargors to the Secured Parties pursuant to or otherwise in connection with this Deed in relation to the Secured Liabilities shall be satisfied only from the proceeds of sale or other disposal or realisation of the Secured Assets pursuant to this Deed and limited in aggregate to an amount equal to that recovered as a result of enforcement of this Deed with respect to the Secured Assets.

2. COVENANT TO PAY

Subject to clause 1.4 (*Limited recourse*) above, each Chargor covenants in favour of the Security Agent that it shall, immediately on demand, pay or discharge all the Secured Liabilities, in each case when the same become due for payment or discharge whether by acceleration or otherwise in accordance with the terms of the Finance Documents.

3. CHARGING CLAUSE

3.1 General

3.1.1 All Security created by any Chargor by or pursuant to this Deed is:

(a) created in favour of the Security Agent as trustee for the Secured Parties;

(b) a continuing security for the payment and discharge of the Secured Liabilities and will extend to the ultimate balance of the Secured Liabilities notwithstanding any intermediate payment or discharge of all or any part of the Secured Liabilities or any other matter or thing;

(c) granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994;

(d) granted in respect of all the right, title and interest (if any), present and future, of the relevant Chargor in and to the relevant assets;

(e) is in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other Security or other right which any Secured Party may now or after the date of this Deed hold in respect of any of the Secured Liabilities; and

(f) may be enforced against the relevant Chargor without first having recourse to any other rights of any Secured Party.

3.1.2 A reference in this Deed to a charge or assignment of any agreement includes:

(a) all claims for damages in respect of any breach of that agreement;

(b) the right to receive and demand payment of all moneys payable under or in connection with that agreement;

(c) the proceeds of any payment of any awards and judgments which may at any time be received by any Chargor pursuant to that agreement;

(d) all rights to enforce, terminate, cancel, vary, waive or otherwise deal with any of the contractual rights of any Chargor in connection with that agreement; and

(e) all rights to make such elections, statements, and presentations and to give all notices and confirmations which may be made or given by any Chargor in respect of that agreement.

3.2 **Assignment**

3.2.1 Each Chargor assigns and agrees to assign (subject to a proviso for re-assignment on redemption) to the Security Agent absolutely, as continuing security for the payment, performance and discharge of the Secured Liabilities all of its right, title, benefit and interest (both present and future) in, to and under:

(a) the Shareholders' Agreement;

(b) the Subordinated Debt;

(c) the Subordinated Debt Documentation; and

(d) all present and future claims, causes of action, payments and proceeds in respect thereof.

3.2.2 To the extent that any such right, title, benefit and interest described in clause 3.2.1 is not assignable or capable of assignment, such assignment purported to be effected by clause 3.2.1 shall operate as continuing security for the payment, discharge, performance and satisfaction of the Secured Liabilities, as an assignment of any and all proceeds of such right, title, benefit or interest paid or payable thereunder save for any proceeds or other amounts properly payable to any third party and to which the relevant Chargor has no right, title, benefit or interest.

3.3 **Charge**

3.3.1 Each Chargor, as continuing security for the payment, performance and discharge of the Secured Liabilities, charges in favour of the Security Agent by way of a first fixed charge (to the extent the same are not capable of assignment under clause 3.2 (*Assignment*)) all its rights, title, benefit and interest (both present and future) in, to and under:

(a) the Shareholders' Agreement;

(b) the Subordinated Debt;

(c) the Subordinated Debt Documentation; and

(d) all present and future claims, causes of action, payments and proceeds in respect thereof.

3.3.2 Each Chargor charges all its present and future rights, title and interest in or in connection with the Shares and the Dividends in favour of the Security Agent by way of first fixed charge.

4. **DEPOSIT OF TITLE DOCUMENTS**

Each Chargor undertakes to deposit with the Security Agent or the Security Agent's nominee:

4.1 on or before execution of this Deed, all share certificates or other documents of title relating to the Initial Shares; and

4.2 immediately upon its acquisition of any Secured Asset, all share certificates and other documents of title relating to that Secured Asset,

together with pre-stamped stock transfer forms (or other appropriate transfer instruments) signed by the relevant Chargor (or its nominee, where appropriate) as transferor but with details of the transferee, date and consideration left blank, on the basis that the Security Agent may hold all those certificates, forms and documents until the Discharge Date. The Security Agent is entitled at any time after the occurrence of an Event of Default that is continuing to complete the stock transfer forms (or other transfer instruments) on behalf of each Chargor in favour of itself or its nominee, using the power of attorney contained in clause 12 (*Security power of attorney*).

5. VOTING AND DIVIDENDS

5.1 Voting and other rights

Subject to clause 5.2 (*Voting and other rights following an Event of Default*), each Chargor is entitled to exercise or direct the exercise of the voting and other rights attached to any Secured Asset as it sees fit provided that:

5.1.1 it does so for a purpose not inconsistent with its obligations under any Finance Document; and

5.1.2 the exercise or failure to exercise those rights does not have an adverse effect on the value of the Secured Assets and does not otherwise prejudice the Security Agent's interests under this Deed.

5.2 Voting and other rights following an Event of Default

After an Event of Default has occurred and is continuing:

5.2.1 the Security Agent will be entitled to exercise or direct the exercise of the voting and other rights attached to any Secured Asset as it sees fit; and

5.2.2 each Chargor shall comply, or procure compliance with, any directions of the Security Agent in relation to the exercise of those rights and shall promptly execute and deliver to the Security Agent all forms of proxy as it may require in connection with the exercise of those rights.

5.3 Dividends

Prior to the occurrence of an Event of Default that is continuing, each Chargor will be entitled to receive all Dividends in accordance with the terms of the Facility Agreement. After an Event of Default has occurred and is continuing, all Dividends will be paid or transferred to the Security Agent (or to its order) and any Dividends received by a Chargor will be held by that Chargor on trust for the Security Agent and immediately paid by it to the Security Agent or to any nominee designated by the Security Agent. The Security Agent will be entitled to apply those Dividends in such manner as it sees fit.

5.4 Nominee shareholders

If any Secured Asset is not held in a Chargor's name (other than as a result of the operation of this Deed) the relevant Chargor shall procure the prompt delivery to the

Security Agent of an irrevocable power of attorney, expressed to be given by way of security and executed as a deed, by the person in whose name that Secured Asset is held. That power of attorney shall appoint the Security Agent and every Receiver as the attorney of the holder in relation to that Secured Asset and shall be in a form approved by the Security Agent.

6. REPRESENTATIONS AND WARRANTIES

Each Chargor makes the representations and warranties set out in this clause 6 to the Security Agent on the date of this Deed.

6.1 Status

6.1.1 It is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.

6.1.2 It has the power to own its assets and carry on its business as it is being conducted.

6.2 Binding obligations

6.2.1 The obligations expressed to be assumed by it in this Deed are, subject to the Legal Reservations, legal, valid, binding and enforceable obligations.

6.2.2 Without limiting the generality of clause 6.2.1 above, this Deed creates the Security which it purports to create and that Security is valid, effective and not liable to be avoided or set aside on any Chargor's liquidation or administration or otherwise.

6.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:

6.3.1 any law or regulation applicable to it;

6.3.2 its constitutional documents; or

6.3.3 any agreement or instrument binding upon it or the Borrower or any or its or any of the Borrower's assets or constitute a default or termination event (however described) under any such agreement or instrument.

6.4 Power and authority

6.4.1 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Deed and the transactions contemplated by this Deed.

6.4.2 No limit on its powers will be exceeded as a result of creating any Security or giving any indemnity contemplated by this Deed.

6.5 Validity and admissibility in evidence

All Authorisations required or desirable:

6.5.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed;

6.5.2 to make this Deed admissible in evidence in any Relevant Jurisdiction; and

6.5.3 to enable it to create the Security constituted, or expressed to be constituted, by this Deed and to ensure that such Security has and will have the priority and ranking which it is expressed to have in this Deed,

have been obtained or effected and are in full force and effect, save for the making of any appropriate registrations of this Deed with the Registrar of Companies.

6.6 **Governing law and enforcement**

6.6.1 Subject to the Legal Reservations, the choice of the governing law of the Finance Documents will be recognised and enforced in its Relevant Jurisdictions.

6.6.2 Subject to the Legal Reservations, any judgment obtained in relation to a Finance Document in the jurisdiction of the governing law of that Finance Document will be recognised and enforced in its Relevant Jurisdictions.

6.7 **No filing or stamp Taxes**

6.7.1 Under the laws of its Relevant Jurisdiction it is not necessary that this Deed be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to this Deed or the transactions hereunder except registration of particulars of this Deed at Companies House under the Companies Act 2006 and payment of associated fees which registration, filing and fees will be made and paid promptly after the date of this Deed.

6.8 **Ranking**

Subject to the requirements specified at the end of clause 6.5 (*Validity and admissibility in evidence*) this Deed creates first ranking Security in favour of the Security Agent.

6.9 **Pari passu ranking**

Its payment obligations under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

6.10 **No proceedings**

6.10.1 No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, are reasonably likely to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it.

6.10.2 No judgment or order of a court, arbitral body or agency which is reasonably likely to have a Material Adverse Effect has (to the best of its knowledge and belief (having made due and careful enquiry)) been made against it.

6.11 **Centre of main interests and establishments**

6.12 For the purposes of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast) (the "**Regulation**"), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in its Original Jurisdiction.

6.13 **Beneficial ownership etc.**

6.13.1 The Chargors are the sole legal and/or beneficial owners of the Secured Assets free from any claims, third party rights or competing interests.

6.13.2 The Initial Shares represent, as at the date of this Deed, the entire issued share capital of the Borrower.

6.14 **Shares fully paid etc.**

The Shares are fully paid, validly issued, freely transferable and not subject to any option to purchase or any similar right. The constitutional documents of the company(ies) whose Shares are subject to this Deed do not restrict or inhibit any transfer of the Shares on the creation or enforcement of the Security constituted, or expressed to be constituted, by this Deed. There are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any Shares.

6.15 **No existing Security**

Except for the Security constituted by this Deed, no Security exists in respect of any of the Secured Assets.

6.16 **Repetition**

The representations in this clause 6 are deemed to be made by each Chargor by reference to the facts and circumstances then existing on the date of each Utilisation Request, on the Utilisation Date and the first day of each Interest Period.

7. UNDERTAKINGS

7.1 **Duration of undertakings**

Each Chargor undertakes to the Security Agent in the terms of this clause 7 from the date of this Deed and for so long as any Security created by this Deed remains in force.

7.2 **Security**

No Chargor shall create or permit to subsist any Security over the Secured Assets other than pursuant to this Deed.

7.3 **Disposal**

No Chargor shall (nor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any of the Secured Assets.

7.4 **Circulars**

Each Chargor shall promptly deliver to the Security Agent a copy of every circular, notice, report, set of accounts or other documents received by it or its nominee in connection with the Secured Assets.

7.5 **Calls**

Each Chargor shall pay all calls and other payments due in relation to the Secured Assets. If any Chargor fails to do so, the Security Agent may pay those calls or other payments on that Chargor's behalf and that Chargor shall immediately on demand reimburse the Security Agent for any such payment.

7.6 **Compliance with laws and other agreements**

Each Chargor shall comply with all laws relating to the Secured Assets and with all conditions and obligations assumed by it in any agreement relating to any of the Secured Assets.

7.7 **Other obligations**

Each Chargor shall comply with all laws relating to the Secured Assets and with all conditions and obligations assumed by it in any agreement relating to any of the Secured Assets.

7.8 **Rights relating to Secured Assets**

No Chargor shall take any action (or permit any action to be taken) which results or could result in any of the rights relating to any Secured Asset being impaired.

7.9 **Authorisations**

Each Chargor shall promptly:

7.9.1 obtain, comply with and do all that is necessary to maintain in full force and effect; and

7.9.2 supply certified copies to the Security Agent of,

any Authorisation required under any law or regulation of any Relevant Jurisdiction to:

(a) enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence of this Deed in any Relevant Jurisdiction; or

(b) own its assets and carry on its business as it is being conducted.

7.10 **Restriction on subdivision**

No Chargor shall cause or permit any of the Shares to be consolidated, sub-divided or converted without the Security Agent's prior written consent.

7.11 **Security not to be prejudiced**

No Chargor shall do, or permit to be done, anything which could prejudice the Security constituted or expressed to be constituted by this Deed.

7.12 **Notice of assignment**

7.12.1 The Chargors shall serve a notice substantially in the form set out in Schedule 2 (*Form of Notice*) on each of the other parties to the Subordinated Debt Documentation.

7.12.2 The Chargors shall serve the notices referred to in clause 7.12.1 above:

(a) in the case of any Subordinated Debt Documentation in existence as at the date of this Deed, on the date of this Deed; and

(b) in the case of any Subordinated Debt Documentation coming into existence or being designated as such after the date of this Deed, on the later of that agreement coming into existence or being designated Subordinated Debt Documentation.

7.12.3 Each Chargor shall ensure that the recipient of each notice referred to in clause 7.12.1 above promptly acknowledges that notice in substantially the form specified in Schedule 2 (*Form of Notice*).

7.12.4 Each Chargor acknowledges that each other Chargor has assigned all its right, title, benefit and interest in and to the Shareholders' Agreement by way of security to the Security Agent pursuant to this Deed.

7.13 **Amendments to Subordinated Debt Documentation**

No Chargor shall, without the Security Agent's prior written consent, amend, vary, novate, supplement, supersede, waive or terminate any provision of any Subordinated Debt Documentation, save where any such amendment, variation, novation, supplement, waiver or termination is of a minor or technical nature and does not prejudice the interests of the Secured Parties or the Security contemplated by this Deed.

7.14 **Amendments to Shareholders' Agreement**

No Chargor shall, without the Security Agent's prior written consent, amend, vary, novate, supplement, supersede, waive or terminate any provision of the Shareholders' Agreement, save where any such amendment, variation, novation, supplement, waiver or termination is of a minor or technical nature and does not prejudice the interests of the Secured Parties or the Security contemplated by this Deed.

7.15 **Non-competition**

7.15.1 Until all the Secured Liabilities have been unconditionally and irrevocably paid in full and none of the Secured Parties have any actual or contingent liability to advance further moneys to, or incur liability on behalf of, the Borrower or unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

(a) to be indemnified by any person;

(b) to claim any contribution from any provider of Security or any guarantor of the Secured Liabilities;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any of the Security Agent's rights under the Finance Documents or of any other guarantee, indemnity or security taken pursuant to, or in connection with, the Secured Liabilities by the Security Agent; and/or

(d) to claim, rank, prove or vote as a creditor of the Borrower or its estate in competition with the Security Agent.

7.15.2 If any Chargor receives any benefit, payment or distribution contrary to the terms of this clause, that Chargor shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Security Agent in connection with the Secured Liabilities to be repaid in full) on trust for the Security Agent and shall promptly pay or transfer the same to the Security Agent or to the Security Agent's nominee.

8. FURTHER ASSURANCE

Each Chargor shall, at its own cost, promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges or assurance, giving any notice, instructions, orders or direction and making any registration) as may be necessary or as the Security Agent may specify (and in such form as the Security Agent may require) in favour of the Security Agent, its nominee(s) or any Receiver or Delegate:

8.1.1 to create, perfect, protect and maintain the Security created or intended to be created by or under this Deed or the priority of that Security, or for the exercise of any rights, powers and remedies of the Security Agent or the Secured Parties provided by or pursuant to this Deed or by law;

8.1.2 to confer on the Security Agent or the Secured Parties Security over any property and assets of the Chargors located in any jurisdiction equivalent or similar to the Security intended to be created by or under this Deed;

8.1.3 to facilitate the exercise of any rights, powers and remedies of the Security Agent, the Secured Parties or any Receiver or Delegate provided by or pursuant to this Deed or by law; or

8.1.4 to facilitate the realisation of the Secured Assets.

9. ENFORCEMENT OF SECURITY

9.1 When Security is enforceable

On the occurrence of any Event of Default which is continuing, any Security created by and under this Deed is immediately enforceable.

9.2 **Acts of enforcement**

The Security Agent may, in its absolute discretion, at any time after the Security created by or under this Deed has become enforceable, immediately and without notice to the Chargors or the prior authorisation of any court:

9.2.1 enforce all or any part of the Security created by or under this Deed in any manner it sees fit;

9.2.2 exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this Deed, and rights and powers conferred on a Receiver by this Deed, whether or not it has taken possession or appointed a Receiver to any of the Charged Property;

9.2.3 appoint one or more qualified persons to be a Receiver to all or any part of the Charged Property; or

9.2.4 exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this Deed).

9.3 **Financial collateral**

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

9.3.2 The value of:

(a) any cash appropriated in accordance with this clause shall be the amount standing to the credit of each account, together with any accrued but unpaid interest, at the time the right of appropriation provided that, if the cash appropriated is not in sterling, such value shall be calculated by the Security Agent in accordance with clause 22 (*Currency clauses*); and

(b) any Secured Assets (other than cash) appropriated in accordance with this clause shall be the price of those Secured Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Security Agent may select (including independent valuation).

9.3.3 Each Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Regulations.

9.4 **Statutory powers - general**

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

9.4.2 Sections 93 and 103 of the Law of Property Act 1925 do not apply to the Security created by or under this Deed.

9.4.3 Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and Receivers when such Receivers have been duly appointed under the relevant Act. If there is ambiguity or conflict between the powers contained in those Acts and those contained in this Deed, those contained in this Deed shall prevail.

9.4.4 The powers in this clause 9 may be exercised by the Security Agent and any Receiver without prior notice to the Chargors.

9.5 **Suspense account**

9.5.1 Until the Secured Liabilities are paid in full, the Security Agent and any Receiver may place and keep (for such time as it shall determine) any money received pursuant to this Deed or on account of each Chargor's liability in respect of the Secured Liabilities in an interest bearing separate suspense account and may retain the same for the period as it and he considers expedient without having any obligation to apply all or any part of that money in or towards discharge of the Secured Liabilities.

9.5.2 If the security created by this Deed is enforced at a time when no amount is due under the Finance Documents but at the time when amounts may or will become due, the Security Agent (or Receiver) may pay the proceeds of recoveries into a suspense account.

9.6 **Protection of Third Parties**

9.6.1 No purchaser from, or other person dealing with, the Security Agent or any Receiver (or its or his agents) shall be obliged or concerned to enquire:

(a) whether the right of the Security Agent or any Receiver to exercise any of the powers conferred by this Deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power;

(b) whether any of the Secured Liabilities remain outstanding or have become payable or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters; or

(c) how any monies paid to the Security Agent or to any Receiver shall be applied.

9.6.2 The receipt by the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve it or him of any obligation to see to the application of any moneys paid to or at the direction of the Security Agent or any Receiver.

9.7 **Redemption of Prior Charges**

The Security Agent and/or any Receiver may, at any time after the Security created by or under this Deed has become enforceable, redeem any prior Security on or relating to any of the Charged Property or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Chargor. Each Chargor will on demand pay to

the Security Agent and/or such Receiver all principal moneys, interest, costs, charges and expenses of and incidental to any such redemption or transfer.

10. RECEIVER

10.1 Receiver as agent

Each Receiver shall be the agent of each Chargors and each Chargor shall be solely responsible for his acts, defaults and liabilities and for his remuneration and expenses and be liable on any agreements or engagements made or entered into by him. The Security Agent will not be responsible for any misconduct, negligence or default of a Receiver.

10.2 Powers of Receiver

Each Receiver appointed under this Deed shall have all the powers conferred from time to time on receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (each of which is deemed incorporated in this Deed) so that the powers set out in Schedule 1 to the Insolvency Act 1986 shall extend to every Receiver, whether or not an administrative receiver and in addition shall have the power to do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the rights, powers or discretions of the Receiver under or by virtue of this Deed or granted by law, or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and may exercise in relation to any Secured Asset all the powers and rights which he would have if he were the absolute beneficial owner of that Secured Asset and in each case may use the name of any Chargor and exercise the relevant power in any manner which he may think fit.

10.3 Removal of Receiver

The Security Agent may by notice remove any Receiver appointed by it and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has for whatever reason terminated.

10.4 Remuneration of Receiver

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it and any such remuneration shall not be limited to the maximum rate specified in sections 109(6) and (8) of the Law of Property Act 1925.

10.5 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately or together exercise all of the powers conferred by this Deed or under the Insolvency Act 1986 (unless the document appointing such Receiver states otherwise).

11. APPLICATION OF MONIES

Order of application

Without prejudice to the rights of the Security Agent under clause 9.5 (*Suspense account*), all moneys received by the Security Agent or any Receiver appointed under this Deed shall be applied in the following order:

11.1 in payment of the costs and losses incurred and payments made by the Security Agent and/or any Receiver (including the payment of preferential debts or the payment of unsecured creditors in accordance with section 176A of the Insolvency Act 1986);

11.2 in payment of remuneration to the Receiver at such rates as may be agreed between the Receiver and the Security Agent (acting reasonably) at or any time after the Receiver's appointment;

11.3 in or towards satisfaction of the Secured Liabilities (in such order or manner as the Security Agent shall determine); and

11.4 the surplus (if any) shall be paid to the Chargors or other person entitled to it.

12. SECURITY POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which that Chargor is obliged to take under this Deed or any other Finance Document. Each Chargor covenants with the Security Agent and each Receiver and any of their delegates or sub-delegates to ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under this clause.

13. REMEDIES AND WAIVERS

13.1 Remedies

No failure to exercise, nor any delay in exercising, on the part of the Security Agent or any Receiver, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise of such right or remedy or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

13.2 Waivers

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

13.3 Waiver of defences

Neither the obligations of any Chargor under this Deed nor the Security constituted by this Deed will be affected by any act, omission or thing which, but for this clause, would reduce, release or prejudice any of its obligations under this Deed or release or prejudice any of that Security (without limitation and whether or not known to any Chargor or the Security Agent) including:

13.3.1 any time, waiver or consent granted to, or composition with, any Chargor or any other person;

13.3.2 the release of any Chargor or any other person under the terms of any composition or arrangement;

13.3.3 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 Chargor or 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;

13.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor or any other person;

13.3.5 any amendment (however fundamental) or replacement of a Finance Document or any other document or Security;

13.3.6 any unenforceability, illegality or invalidity of any Security or of any obligation of any person under any Finance Document or any other document; or

13.3.7 any insolvency or similar proceedings relating to any Chargor or any other person.

14. SETTLEMENTS CONDITIONAL

14.1 Amounts avoided

If any amount paid by any Chargor or any other person in respect of the Secured Liabilities is capable of being avoided, set aside or reduced for any reason then, for the purposes of this Deed, that amount shall not be considered to have been paid.

14.2 Discharge conditional

Any settlement or discharge between any Chargor and any Secured Party shall be conditional upon no Security or payment to or for that Secured Party by that Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any law relating to insolvency or otherwise and accordingly (but without limiting the other rights of the Security Agent under this Deed) the Security Agent shall be entitled to recover from that Chargor the value which the Security Agent has placed on that Security or the amount of any such payment as if that settlement or discharge had not occurred.

15. SUBSEQUENT SECURITY

If the Security Agent receives (or is deemed to be affected by) notice of any subsequent Security or other interest affecting any of the Charged Property, it may open a new account for the Chargors in its books. If it does not do so then, unless it gives express notice to the contrary to the Chargors, as from the time the Security Agent receives (or is deemed to have received) that notice, all payments made by any Chargor to the Security Agent or to any other Secured Party (in the absence of any express appropriation to the contrary) shall 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.

16. PARTIAL INVALIDITY

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any 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.

17. COVENANT TO RELEASE

Once the Security Agent has determined that all the Secured Liabilities have been unconditionally and irrevocably paid in full and none of the Secured Parties have any actual or contingent liability to advance further moneys to, or incur liability on behalf of, the Chargors, the Security Agent shall, at the request and cost of the Chargors, take all action which may be necessary to release the Charged Property from the Security created by this Deed and return any documents or deeds of title delivered to it pursuant to this Deed.

18. PROTECTION OF SECURITY AGENT AND RECEIVER

18.1 No liability

Neither the Security Agent nor any Receiver shall be liable in respect of any of the Charged Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers under this Deed, unless such loss or damage is caused by its or his gross negligence or wilful acts of default.

18.2 Officers and agents

No Chargor may take proceedings against any officer, employee or agent of the Security Agent in respect of any claim it might have against the Security Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document (and any officer, employee or agent of the Security Agent may rely on this clause).

18.3 Exoneration

Each Chargor is and will remain liable to perform all the obligations assumed by it under the Shares and neither the Security Agent nor any Receiver or Delegate or any of their agents will have any duty:

18.3.1 to perform any of the Chargors' obligations or exercise any rights in relation to any Secured Asset;

18.3.2 to take any action to enforce any other person's obligations as regards any Secured Asset;

18.3.3 to take up any offer in relation to any Secured Asset; or

18.3.4 to give notification to anyone in relation to a Secured Asset.

19. INDEMNITY

Each Chargor shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability (together with any associated VAT) incurred by any of them as a result of:

19.1 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

19.2 the taking, holding, protection or enforcement of the Security created or expressed to be created pursuant to the Security Documents;

19.3 the exercise of any of the rights, powers, discretions and remedies vested in the Security Agent and each Receiver and Delegate by this Deed or by law;

19.4 any default by a Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed; and

19.5 acting as Security Agent, Receiver or Delegate under this Deed (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

20. DELEGATION

20.1 Delegation

The Security Agent and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Agent or any Receiver (as appropriate) under this Deed to any person or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit.

20.2 No liability

Neither the Security Agent nor any Receiver will be liable or responsible to any Chargor or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

21. SET-OFF

The Security Agent may set off any matured obligation due from any Chargor under the Finance Documents (to the extent beneficially owned by it) against any matured obligation owed by the Security Agent to that Chargor regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. Any exercise by the Security Agent of its rights under this clause shall be without prejudice to any other rights or remedies available to it under this Deed or otherwise.

22. CURRENCY CLAUSES

22.1 Conversion

All moneys received or held by the Security Agent or any Receiver under this Deed may be converted into any other currency which the Security Agent or such Receiver considers necessary to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the rate at which the Security Agent and/or such Receiver determines (acting reasonably and in good faith) it is able to purchase that other currency with the existing currency.

22.2 No discharge

No payment to the Security Agent or any Receiver (whether under any judgement or court order or otherwise) shall discharge the obligation or liability of any Chargor in respect of which it was made unless and until the Security Agent has received payment in full in the currency in which the obligation or liability was incurred. To the extent that the amount of any such payment shall on actual conversion into that

currency fall short of that obligation or liability expressed in that currency, the Security Agent shall have a further separate cause of action against the relevant Chargor and shall be entitled to enforce the Security constituted by this Deed to recover the amount of the shortfall.

23. PAYMENTS TO BE MADE WITHOUT DEDUCTION

All sums payable by any Chargor 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 Security Agent may designate. All such payments shall be made in full without set-off of any sum owing by the Security Agent 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.

24. CALCULATIONS AND CERTIFICATES

24.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Security Agent are prima facie evidence of the matters to which they relate.

24.2 Certificates and determinations

Any certification or determination by the Security Agent of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

25. COSTS AND EXPENSES

25.1 Transaction expenses

Each Chargor shall within five Business Days of demand pay the Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by the Security Agent (or by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution and perfection of this Deed and any other documents referred to in this Deed.

25.2 Amendment costs

If a Chargor requests an amendment, waiver or consent in respect of this Deed, each Chargor shall, within five Business Days of demand, reimburse the Security Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by the Agent or the Security Agent (and, in the case of the Security Agent, by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

25.3 Enforcement and preservation costs

Each Chargor shall, immediately on demand, pay to the Security Agent the amount of all costs and expenses (including legal fees) incurred by the Security Agent in connection with the enforcement of, or the preservation of any rights under, this Deed and with any proceedings instituted by or against the Security Agent as a consequence of it entering into this Deed or enforcing those rights.

26. MISCELLANEOUS

26.1 Assignment/transfer by Security Agent

The Security Agent may assign and/or transfer all or any part of its rights and/or obligations under this Deed or any Security created by or under it in accordance with the terms of the Facility Agreement.

26.2 No assignment/transfer by Chargors

No Chargor may assign and/or transfer all or any part of its rights and/or obligations under this Deed or any Security created by or under it.

26.3 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.

27. NOTICES

27.1 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.

27.2 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:

27.2.1 in the case of a Chargor, that identified with its name below; and

27.2.2 in the case of the Security Agent, that identified with its name below,

or any substitute address or department or officer as either Party notifies the other by not less than five Business Days' notice.

27.3 Delivery

27.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will 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 it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 27.2 (*Addresses*), if addressed to that department or officer.

27.3.2 Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the

Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).

27.3.3 Any communication or document made or delivered to the Borrower in accordance with this clause 27.3.3 shall be deemed to have been made or delivered to the Chargors.

27.3.4 Any communication or document which becomes effective, in accordance with clauses 27.3.1 to 27.3.3 after 5.00 p.m. or on a day which is not a Business Day in the place of receipt shall be deemed only to become effective on the following Business Day.

27.4 **Electronic communication**

27.4.1 Any communication to be made between any Parties under or in connection with this Deed may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those Parties:

(a) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

(b) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

27.4.2 Any such electronic communication as specified in clause 27.4.1 may only be made in that way to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

27.4.3 Any such electronic communication as specified in clause 27.4.1 made between the Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.

27.4.4 Any electronic communication which becomes effective, in accordance with clause 27.4.3, after 5.00 p.m. or on a day which is not a Business Day in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Deed shall be deemed only to become effective on the following Business Day.

28. GOVERNING LAW AND JURISDICTION

28.1 **Governing law**

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

28.2 **Jurisdiction of English courts**

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

28.2.2 Each Chargor and the Security Agent 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.

28.2.3 This clause 28.2 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

28.2.4 Each Chargor expressly agrees and consents to the provisions of this clause 28 (*Governing law and jurisdiction*).

29. DELIVERY AS A DEED

The parties intend this Deed to be delivered on the date which first appears in this Deed and that this Deed shall take effect as a deed notwithstanding the fact that the Security Agent may only executed this Deed under hand.

THIS DEED IS EXECUTED AS A DEED by the parties and is delivered and takes effect on the date at the beginning of this Deed.

SCHEDULE 1

Particulars of Initial Shares

Name of Shareholder	Issuer	Description	Number of Shares held
Avanton OKR (2) Limited	Southwark Estates (One) Limited	B Shares	500
Keyborne Capital Limited	Southwark Estates (One) Limited	A Shares	75
OKR Holdings Limited	Southwark Estates (One) Limited	A Shares	425

SCHEDULE 2

Form of Notice

To: [*Borrower*]

Dated: [ ]

Dear Sirs

SHAREHOLDER'S SECURITY AGREEMENT DATED [ ] MADE BETWEEN [CHARGORS] AND [SECURITY AGENT] (THE "SECURITY DOCUMENT")

1. We notify you that [insert name of Chargors] (the "Chargors") have assigned and charged [insert name of Security Agent] (the "Security Agent") all our right, title and interest in and to [insert details of Subordinated Debt Documentation] (the "Agreement").

2. We irrevocably authorise and instruct you to:

2.1. disclose to the Security Agent without 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 Agreement as the Security Agent may at any time request;

2.2. (subject to paragraph 4 below) deal with us in relation to the Agreement unless you receive written notice from the Security Agent to the contrary;

2.3. pay all sums due from time to time due and payable by you under the Agreement in accordance with any written instructions given by you to the Security Agent from time to time;

2.4. comply with the terms of any written notice or instructions relating to the Security Document or the Agreement or the debts represented thereby which you receive from the Security Agent 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

2.5. send copies of all notices and communications relating to the Agreement to the Security Agent as well as ourselves.

3. Please note that we are and will remain liable to perform all the obligations assumed by us under the Agreement and that neither the Security Agent, any Receiver nor any of their agents will at any time have any liability to you under the Agreement.

4. We are not permitted to agree any amendment or supplement to, or to waive any term of, the Agreement, or to terminate the Agreement or to allow it to lapse without the prior written consent of the Security Agent.

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

6. This notice is governed by English law.

7. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to each Chargor) by way of confirmation that:

7.1. you agree to the terms set out in this notice and to act in accordance with its provisions;

7.2. you have not received notice that any Chargor has assigned its rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party; and

7.3. you have not claimed or exercised, nor do you have any outstanding right to claim or exercise, against any Chargor any right of set-off, counter-claim or other right relating to the Agreement.

Yours faithfully

.....

for and on behalf of

[Insert name of Chargor]

[*On acknowledgement copy*]

To: [Insert name of Security Agent]

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

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs 7.1 to 7.3 above.

.....

for and on behalf of

[*Insert name of Counterparty*]

Dated: [ ]]

EXECUTION PAGES

Chargors

EXECUTED as a **DEED** by DIRECTOR.....)
AVANTON OKR (2) LIMITED.....)
acting by Omar Windeyer.....)
in the presence of:.....)

.....
Director [redacted]

Witness Signature [redacted]

Witness Name....JONATH MULLICK...

Witness Address ...GREENBERG TRAURIG LLP

.....LONDON SE1 9SG.....

Witness Occupation ....LEGAL.....

EXECUTED as a **DEED** by DIRECTOR.....)
KEYBORNE CAPITAL LIMITED.....)
acting by Luke Osborne.....)
in the presence of:.....)

D [redacted]

Witness Signature [redacted]

Witness Name....JONATH MULLICK....

Witness Address ...GREENBERG TRAURIG LLP

.....LONDON SE1 9SG.....

Witness Occupation ..LEGAL.....

EXECUTED as a **DEED** by Director)
OKR HOLDINGS LIMITED)
acting by Thomas Pratt)
in the presence of:)

[redacted]
Director

Witness Signature [redacted]

Witness Name Joe Elliott

Witness Address 6 Duggan Drive

Chislehurst, BR7 5EP

Witness Occupation Land Buyer

Security Agent

SIGNED by _____
for and on behalf of **SOLUTUS ADVISORS LIMITED**

EXECUTED as a **DEED** by .....)
OKR HOLDINGS LIMITED .....)
acting by _____)
in the presence of:.....)

.....
Director

Witness Signature.....

Witness Name.....

Witness Address .....

.....

.....

Witness Occupation .....

Security Agent

SIGNED by X
for and on behalf of **SOLUTUS ADVISORS LIMITED**

TRACY BOSHELL
DIRECTOR

NEIL FORKIN
AUTHORISED SIGNATORY