

000224/63

In accordance with
Sections 859A and
859J of the Companies
Act 2006.

MR01

Particulars of a charge



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

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

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

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

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

This form **must be delivered to the Registrar for registr**
21 days beginning with the day after the date of creation of
delivered outside of the 21 days it will be rejected unless it
court order extending the time for delivery.



You **must** enclose a certified copy of the instrument with this form
scanned and placed on the public record.

FRIDAY



S38FVVX4

SCT

04/07/2014

#4

COMPANIES HOUSE

1 Company details

Company number S C 0 1 5 3 8 2

Company name in full JOHNSTON PRESS PLC (the "Chargor")

For official use

→ **Filing in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d2 d3 m0 m6 y2 y0 y1 y4

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

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

Name DEUTSCHE BANK AG, LONDON BRANCH as security agent

Name

Name

Name

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

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

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Particulars of a charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security.

Continuation page

Please use a continuation page if you need to enter more details.

Description

(a)

(i) to the extent that title to the Real Property in Northern Ireland (including, without limitation, that described in Schedule 3 (Real Property) to the Security Agreement) is of freehold tenure and not subject to registration in the Land Registry of Northern Ireland pursuant to the Land Registration Act (Northern Ireland) 1970, all that and those the Real Property to hold the same unto the Security Agent in fee simple subject to the proviso for redemption contained in the Security Agreement;

(ii) to the extent that title to the Real Property in Northern Ireland (including, without limitation, that described in Schedule 3 (Real Property) to the Security Agreement) is of leasehold tenure and not subject to registration in the Land Registry of Northern Ireland pursuant to the Land Registration Act (Northern Ireland) 1970, all that and those the Real Property to hold the same unto the Security...

Please see continuation sheet.

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☒ Yes

☐ No

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Particulars of a charge

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

① This statement may be filed after the registration of the charge (use form MR06).

9

Signature

Please sign the form here.

Signature

Signature

X 

For and on behalf of CMS Cameron McKenna LLP X

This form must be signed by a person with an interest in the charge.

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name LODU/LUMK/JPM003.00007

Company name CMS Cameron McKenna LLP

Address Saltire Court

20 Castle Terrace

Post town Edinburgh

County/Region Midlothian

Postcode E H 1 2 E N

Country

DX ED 553001

Telephone 0131 200 7528



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

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



Where to send

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

For companies registered in England and Wales:

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

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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



Further information

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

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

MR01 - continuation page

Particulars of a charge

4	Description
	Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security.
Description	<p>...Agent for the residues of the respective terms of years for which it now holds the same less the three days thereof of each such term subject to the provision for redemption contained in the Security Agreement;</p> <p>(iii) all Real Property in Northern Ireland (including, without limitation, that described in Schedule 3 (Real Property) to the Security Agreement) the ownership of which is registered in the Land Registry of Northern Ireland or is required to be so registered pursuant to the Land Registration (Northern Ireland) Act 1970;</p> <p>(iv) all of the Chargor's future freehold and leasehold property (whether or not registered), together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;</p> <p>(v) all the Chargor's Charged Accounts (including, without limitation, those described in Schedule 4 (Charged Accounts) to the Security Agreement);</p> <p>(vi) all the Chargor's Receivables;</p> <p>(vii) all the Chargor's Shares;</p> <p>(viii) all the Chargor's Investments and CREST Rights;</p> <p>(ix) all the Chargor's right, title and interest from time to time in and to its uncalled capital and goodwill;</p> <p>(x) all the Chargor's Intellectual Property (including, without limitation, that described in Schedule 6 (<i>Intellectual Property</i>) to the Security Agreement);</p> <p>(xi) all the Chargor's right, title and interest from time to time in and to the Chargor's beneficial interest, claim or entitlement in any pension fund;</p> <p>(xii) all the Chargor's Plant and Machinery (except that validly and effectively mortgaged or charged under sub-paragraph (i) or (ii) above);</p>

MR01 - continuation page

Particulars of a charge

4	Description
Description	<p data-bbox="316 405 1126 495">Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security.</p> <p data-bbox="316 517 1126 607">(xiii) all the Chargor's Insurances, to the extent not validly and effectively assigned under (b) below;</p> <p data-bbox="316 640 1126 730">(xiv) all the Chargor's Assigned Agreements, to the extent not validly and effectively assigned under (c) below; and</p> <p data-bbox="316 763 1126 909">(xv) all the Chargor's undertaking and all the Chargor's assets, both present and future (including assets expressed to be mortgaged, charged or assigned under this Clause 2.1 (Creation of Security Interests) of the Security Agreement);</p> <p data-bbox="316 943 959 976">(b) all of the Chargor's Insurances; and</p> <p data-bbox="316 1010 1034 1043">(c) all of the Chargor's Assigned Agreements.</p> <p data-bbox="316 1066 1126 1155">NOTE: All defined terms above are to have the same meaning as given to them in the Security Agreement attached, to which this form applies.</p>



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 15382

Charge code: SC01 5382 0011

The Registrar of Companies for Scotland hereby certifies that a charge dated 23rd June 2014 and created by JOHNSTON PRESS PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th July 2014.

Given at Companies House, Edinburgh on 9th July 2014



Companies House



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

SECURITY AGREEMENT

dated 23 JUNE 2014

created by

CERTIFIED AS A TRUE AND
COMPLETE COPY OF THE
ORIGINAL SAVE FOR
REDACTIONS UNDER
S.859G COMPANIES ACT 2006

Date: 04/07/14
CMS Cameron McKenna LLP,
Saltire Court, 20 Castle Terrace,
Edinburgh EH1 2EN

THE COMPANIES NAMED IN SCHEDULE 1
as the Chargors

in favour of

DEUTSCHE BANK AG, LONDON BRANCH
acting as Security Agent

THIS DEED IS SUBJECT TO THE TERMS OF AN INTERCREDITOR AGREEMENT DATED
16 MAY 2014 BETWEEN, AMONGST OTHERS, THE CHARGORS AND THE
SECURITY AGENT

A&L GOODBODY

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LAND REGISTRY OF NORTHERN IRELAND

FOLIO: AR 16303L

COUNTY: ARMAGH

REGISTERED OWNER: MORTON NEWSPAPERS LIMITED

THIS DEED is dated ~~23 JUNE~~ 2014 and made between:

- (1) THE COMPANIES listed in Schedule 1 as chargors (the "**Chargors**"); and
- (2) DEUTSCHE BANK AG, LONDON BRANCH as security agent for the Secured Parties (the "**Security Agent**").

Background

- (A) The board of directors of each Chargor is satisfied that entering into this Deed would be most likely to promote the success of that Chargor for the benefit of its members as a whole and to the further benefit and advantage of that Chargor.
- (B) The Security Agent and each Chargor intend this document to take effect as a deed (even though the Security Agent only executes it under hand).
- (C) The Security Agent holds the benefit of this Deed for the Secured Parties on the terms of the Secured Debt Documents.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"**1881 Act**" means the Conveyancing and Law of Property Act 1881.

"**1911 Act**" means the Conveyancing and Law of Property Act 1911.

"**Administrator**" means an administrator appointed under Schedule B1 to the Insolvency Order.

"**Agreed Security Principles**" has the meaning given to that term in the relevant Credit Facility Agreement.

"**Assigned Agreements**" means, in relation to a Chargor, all its right, title and interest from time to time in and to any Hedging Agreement, any Intra-Group Loan Agreement and any other agreement designated as an 'Assigned Agreement' by the Chargor and the Security Agent, and (in each case) all Related Rights.

"**Charged Accounts**" means, in relation to a Chargor, all its right, title and interest from time to time in and to all current, deposit or other accounts with any bank or financial institution, all balances from time to time standing to the credit of or accrued or accruing on those accounts and (in each case) all Related Rights.

"**CREST**" means the relevant system (within the meaning of the Uncertificated Securities Regulations) operated by Euroclear UK and Ireland Limited.

"CREST Rights" means, in relation to a Chargor, all its right, title and interest from time to time in, against and to:

- (a) any system participant or sponsoring system participant in respect of CREST;
- (b) any account forming part of CREST; and
- (c) any payment obligation of any settlement bank in respect of CREST,

in each case arising in connection with any Investment which is recorded in the relevant operator register of members (within the meaning of the Uncertificated Securities Regulations) as being held in uncertificated form and is transferable through CREST, and all Related Rights, and provided that the terms system participant, sponsoring system participant and settlement bank shall each have the meaning given to them in the Uncertificated Securities Regulations.

"Criminal Damage Claim" means a claim made by or on behalf of any Chargor under the Criminal Damage Order in relation to damage caused to the Security Assets located in Northern Ireland after the date hereof.

"Criminal Damage Order" means the Criminal Damage (Compensation) (Northern Ireland) Order 1977 as amended by the Criminal Damage (Compensation) (Amendment) (Northern Ireland) Order 2009 (or any statutory successor scheme for the compensation of criminal damage to property for the time being in force).

"Declared Default" means the occurrence of an Acceleration Event.

"Delegate" means a delegate or sub-delegate appointed by the Security Agent or a Receiver in accordance with this Deed.

"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 Claim" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

"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.

"Environmental Permit" means any permit and other authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the

business of any Chargor conducted on or from the properties owned or used by any member of the Chargor.

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

"Group" means Johnston Press plc and its Subsidiaries for the time being.

"Insolvency Order" means the Insolvency (Northern Ireland) Order 1989.

"Insurances" means, in relation to a Chargor, all its right, title and interest from time to time in and to all contracts and policies of insurance of any kind (other than in relation to third party liabilities, employees' liability, crime, public liability insurance, directors' and officers' insurance or similar claims) taken out by or on behalf of it and (in each case) all Related Rights.

"Intellectual Property" means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets,

and (in each case) all Related Rights (and in each case including, without limitation, any related licences and sub-licences of the same granted by it or to it).

"Intercreditor Agreement" means the intercreditor agreement dated **16 MAY** 2014 between, among others the Company, the Security Agent and the Revolving Facility Agent.

"Intra-Group Loan Agreement" means each agreement evidencing the terms of Intra-Group Liabilities.

"Investments" means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) shares, stocks, debentures, units, bonds, notes, commercial paper, certificates of deposit, depository interests, securities and other investments;
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire securities and investments;
- (c) any other securities or investments deriving from investments or any rights attaching or relating to securities or investments,

in each case excluding Shares and including whether in certificated or uncertificated form, held through CREST or any other electronic share clearing, transfer or settlement system, and any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights.

"Material Real Property" means, in relation to a Chargor:

- (a) all Real Property described in Schedule 3 (*Real Property*); and

- (b) all Real Property other than (i) any individual leasehold Real Property in respect of which the lease, when originally granted, was for a term of less than 35 years and (ii) any individual unregistered freehold Real Property in respect of which the greater of the value of, and the consideration paid (whether in cash or non-cash) for which, whether at the time of acquisition or at its most recent valuation as set out in the latest set of financial statements delivered pursuant the Debt Documents is less than £250,000.

"Party" means a party to this Deed.

"Plant and Machinery" means, in relation to a Chargor, all its right, title and interest from time to time in and to all plant and machinery and (in each case) all Related Rights.

"Quasi Security" means a transaction under which any member of the Group will:

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by any other member of the Group;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

"Real Property" means, in relation to a Chargor, all its right, title and interest from time to time in and to any freehold, heritable or leasehold property in Northern Ireland, all Fixtures from time to time on that property, and (in each case) all Related Rights.

"Receivables" means, in relation to a Chargor, all its right, title and interest from time to time in and to all book and other debts of any nature, all other rights to receive money (excluding Charged Accounts), and all Related Rights.

"Receiver" means a receiver and manager or other receiver appointed in respect of all or any part of the Security Assets and shall, if allowed by law, include an administrative receiver.

"Related Rights" means, in relation to a Security Asset:

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Security Asset;
- (b) any moneys or proceeds paid or payable deriving from that Security Asset;
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Security Asset;
- (d) any awards or judgments in favour of a Chargor in relation to that Security Asset; and
- (e) any other assets deriving from, or relating to, that Security Asset.

"Secured Debt Documents" means the Intercreditor Agreement, the Credit Facility Finance Documents, the Hedging Agreements, the Senior Secured Notes Finance Documents and the Permitted Senior Secured Debt Documents.

"Secured Obligations" means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Chargor and by each Debtor to any Secured Party under the Secured Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"Secured Parties" means the Security Agent, any Receiver or Delegate, the Agents, the Arrangers and the Senior Secured Creditors from time to time but, in the case of the Agents, the Arrangers and the Senior Secured Creditors, only if it or, in the case of the Senior Secured Noteholders and any Permitted Senior Secured Debt Creditors, its Agent is a party to the Intercreditor Agreement or acceded to the Intercreditor Agreement in the appropriate capacity.

"Security Assets" means the assets which from time to time are, or expressed to be, the subject of the Security Interests or any part of those assets.

"Security Interests" means all or any of the Security created or expressed to be created in favour of the Security Agent by or pursuant to this Deed.

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

"Shares" means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) the shares described in Schedule 5 (*Shares*) and any other shares issued in the future by any person identified in Schedule 5 (*Shares*) as issuer of any such shares;
- (b) any other shares issued from time to time by any member of the Group;
- (c) warrants, options and other rights to subscribe for, purchase or otherwise acquire any such shares; and
- (d) any other securities or investments deriving from any such shares or any rights attaching or relating to any such shares,

in each case including any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights.

"Uncertificated Securities Regulations" means the Uncertificated Securities Regulations 2001.

1.2 Incorporation of defined terms

Unless a contrary indication appears, terms defined in the Intercreditor Agreement have the same meaning in this Deed.

1.3 Construction

- (a) Any reference in this Deed to a "**Secured Debt Document**" or any other agreement or instrument is a reference to that Secured Debt Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerously) or replaced and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Secured Debt Document or other agreement or instrument.
- (b) The provisions in clause 1.2 (*Construction*) of the Intercreditor Agreement apply to this Deed, except that references to the Intercreditor Agreement shall be construed as references to this Deed.

1.4 Third Party Rights

- (a) Unless expressly provided to the contrary in a Secured Debt Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Secured Debt Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

1.5 Disposition

The terms of the other Secured Debt Documents and of any other agreement or instrument between the Parties are incorporated into each Secured Debt Document to the extent required for any disposition or purported disposition of all or any part of any Real Property or any other relevant Security Asset contained in any Secured Debt Document to be a valid disposition in accordance with section 53 of the 1881 Act.

1.6 Intercreditor Agreement

This Deed is subject to, and has the benefit of, the Intercreditor Agreement. In the event of any inconsistency between this Deed and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

2. SECURITY INTERESTS

2.1 Creation of Security Interests

- (a) Each Chargor, as legal and beneficial owner and as registered owner, as the case may be, and as continuing security for the payment of all Secured Obligations:
 - (i) HEREBY GRANTS, CONVEYS AND TRANSFERS unto the Security Agent on the terms set out in this Deed, to the extent that title to the Real Property in Northern Ireland (including, without limitation, that described in Schedule 3 (*Real Property*)) is of freehold tenure and not subject to registration in the Land Registry of Northern Ireland pursuant to the Land Registration Act (Northern Ireland) 1970, ALL THAT AND THOSE the Real Property TO HOLD the same unto the Security Agent in fee simple subject to the proviso for redemption contained in this Deed;
 - (ii) HEREBY DEMISES unto the Security Agent on the terms set out in this Deed, to the extent that title to the Real Property in Northern Ireland (including, without limitation, that described in Schedule 3 (*Real Property*)) is of leasehold tenure and not subject to

registration in the Land Registry of Northern Ireland pursuant to the Land Registration Act (Northern Ireland) 1970, ALL THAT AND THOSE the Real Property TO HOLD the same unto the Security Agent for the residues of the respective terms of years for which it now holds the same less the last three days thereof of each such term subject to the proviso for redemption contained in this Deed;

- (iii) As registered owner or as the person entitled to be registered as owner HEREBY CHARGES all Real Property in, Northern Ireland (including, without limitation, that described in Schedule 3 (*Real Property*)) the ownership of which is registered in the Land Registry of Northern Ireland or is required to be so registered pursuant to the Land Registration (Northern Ireland) Act 1970 and HEREBY ASSENTS to the registration of the charge as a burden on the said property;
 - (iv) HEREBY CHARGES as a first fixed charge all of its future freehold and leasehold property (whether or not registered), together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
 - (v) Charges by way of first fixed charge, all its Charged Accounts (including, without limitation, those described in Schedule 4 (*Charged Accounts*));
 - (vi) Charges by way of first fixed charge, all its Receivables;
 - (vii) Charges by way of first mortgage, all its Shares;
 - (viii) Charges by way of first fixed charge, all its Investments and CREST Rights;
 - (ix) Charges by way of first fixed charge, all its right, title and interest from time to time in and to its uncalled capital and goodwill;
 - (x) Charges by way of first fixed charge, all its Intellectual Property (including, without limitation, that described in Schedule 6 (*Intellectual Property*));
 - (xi) Charges by way of first fixed charge, all its right, title and interest from time to time in and to its beneficial interest, claim or entitlement in any pension fund;
 - (xii) Charges by way of first fixed charge, all its Plant and Machinery (except that validly and effectively mortgaged or charged under sub-paragraph (i) or sub-paragraph (ii) above);
 - (xiii) Charges by way of first fixed charge, all its Insurances, to the extent not validly and effectively assigned under paragraph (b) below;
 - (xiv) Charges by way of first fixed charge, all its Assigned Agreements, to the extent not validly and effectively assigned under paragraph (c) below; and
 - (xv) Charges by way of first floating charge, all its undertaking and all its assets, both present and future (including assets expressed to be mortgaged, charged or assigned under this Clause 2.1 (*Creation of Security Interests*)).
- (b) Each Chargor, as legal and beneficial owner and (if applicable) as registered owner and as security for the payment of all Secured Obligations, assigns to the Security Agent by way of security all its Insurances.

- (c) Each Chargor, as legal and beneficial owner and (if applicable) as registered owner and as security for the payment of all Secured Obligations, assigns to the Security Agent by way of security all its Assigned Agreements.

2.2 Attorns Tenant

The Chargors hereby attorn tenant to the Security Agent of any part of the Security Assets mortgaged or charged by Clause 2.1(a)(i) and (ii) (*Creation of Security Interests*) at the yearly rent of £1 (if demanded) provided always that the Security Agent may at any time without notice to the Chargors determine the tenancy hereby created and enter upon such Security Assets but so that neither the receipt of the said rent nor the said tenancy shall render the Security Agent liable to account to any person as mortgagee in possession.

2.3 Leasehold Lands

The Chargors **HEREBY DECLARE** that in respect of all or any leasehold lands, hereditaments and premises referred to in Schedule 3 (*Real Property*) they will stand possessed of the reversion or respective reversions hereby reserved of the term or several terms of years for which the same are held **IN TRUST** for the Security Agent (subject to any equity of redemption subsisting under this Deed) and will dispose of the same as the Security Agent may reasonably direct and **HEREBY AUTHORISE** the Security Agent to appoint a new trustee or trustees of such reversion or respective reversions in place of the Chargors or any trustee or trustees appointed under this power as if it, he, she or they were incapable of acting in the trusts hereby declared and the Chargors **HEREBY IRREVOCABLY APPOINT** the Security Agent the attorney of the Chargors to assign the said reversion or respective reversions in the name of each Chargor and on its behalf to the Security Agent or as it may direct subject to such equity of redemption (if any), as may for the time being be subsisting and to execute and do all deeds, documents and acts reasonably necessary or proper for that purpose.

2.4 Ranking

The floating charge created by each Chargor under paragraph (a)(xv) of Clause 2.1 (*Creation of Security Interests*) ranks behind all the mortgages, fixed charges and assignments created by that Chargor under this Deed.

2.5 Conversion by notice

At any time:

- (a) following the occurrence of a Declared Default;
- (b) if the Security Agent 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 to be otherwise in jeopardy; or
- (c) if the Security Agent considers that such conversion is necessary in order to protect the value of the Security Assets of the priority of the Security,

the Security Agent may convert the floating charge over all or any of the Security Assets into a fixed charge by notice to the relevant Chargor specifying the relevant Security Assets.

2.6 Automatic conversion

If:

- (a) any Chargor takes any step to create any Security or Quasi Security in breach of Clause 3.1 (*Negative pledge*) over any Security Asset subject to a floating charge;
- (b) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any such Security Asset to the extent that such action would lead to an Event of Default following the expiry of any grace period; or
- (c) an Insolvency Event occurs in respect of a Chargor,

the floating charge over the relevant Security Assets shall automatically and immediately be converted into a fixed charge.

2.7 Disapplication of Clause 2.6 in certain circumstances

- (a) Obtaining a moratorium or doing anything with a view to obtaining a moratorium pursuant to Schedule A1 of the Insolvency Order (including any preliminary decision or investigation) shall not cause the floating charge over all or any of the Security Assets to crystallise until the date upon which it is permitted to crystallise in accordance with paragraph 24 of Schedule A1 of the Insolvency Order.
- (b) Clause 2.6 (*Automatic conversion*) will not apply to any Security Assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to section 72 of the Insolvency Act by reason of such automatic conversion.

2.8 Reconversion to floating charge

Any floating charge which has crystallised under Clause 2.3 (*Conversion by notice*) or Clause 2.4 (*Automatic conversion*) may by notice in writing given at any time by the Security Agent to the relevant Chargor be reconverted into a floating charge under paragraph (a)(xv) of Clause 2.1 (*Creation of Security Interests*) in relation to the assets specified in such notice.

2.9 Consents

- (a) If the consent of any party to a document is required to create fixed security over, or an assignment of, the rights of a Chargor under that document:
 - (i) that Chargor shall notify the Security Agent as soon as reasonably practicable and in any event within 5 Business Days of the date of this Deed (or, if later, the date of that document);
 - (ii) until the consent of the relevant party has been obtained, this Deed shall secure all amounts which that Chargor may receive, or has received, under that document but exclude any fixed security over, or any assignment of, those rights;
 - (iii) that Chargor shall use all reasonable endeavours to obtain the consent of the relevant party to the creation of fixed security over or, as the case may be, an assignment of, those rights under this Deed as soon as reasonably practicable; and
 - (iv) on the date on which the consent of the relevant party is obtained, the fixed security over, or in respect of an asset expressed to be subject to an assignment the assignment of, those rights under this Deed shall attach to those rights.

3. RESTRICTIONS ON DEALING WITH SECURITY ASSETS

3.1 Negative pledge

No Chargor shall create or permit to subsist any Security or Quasi Security over any Security Asset, except as permitted by the Credit Facility Agreement and the other Debt Documents.

3.2 Disposals

No Chargor shall 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 Security Asset, except as permitted by the Credit Facility Agreement and the other Debt Documents.

4. FURTHER ASSURANCE

(a) Subject to the Agreed Security Principles, each Chargor shall (at its own expense) as soon as reasonably practicable ~~do all such acts or execute all such documents~~ (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably require or consider expedient (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)) which shall not be on terms less favourable to that Chargor:

- (i) to create, perfect and protect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security Interests) or for the exercise of any rights, powers and remedies of the Security Agent or the Secured Parties provided by or pursuant to the Secured Debt Documents or by law; or
- (ii) to confer on the Security Agent or confer on the Secured Parties Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Secured Debt Documents; and/or
- (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Interests.

(b) Each Chargor shall take all such action as is available to it (including making all filings and registrations) as the Security Agent may require or consider expedient for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this Deed.

5. REAL PROPERTY

5.1 Documents

Each Chargor shall promptly (and in any event within 5 Business Days):

- (a) notify the Security Agent of its acquisition of, or agreement to acquire, and Real Property; and
- (b) deposit with the Security Agent, and the Security Agent shall be entitled to hold, all title deeds and documents relating to that Chargor's present and future Material Real Property provided that, to the extent that such deeds and documents are not in its

possession or readily accessible, each Chargor shall use its reasonable endeavours to locate the same and only if located deposit them with the Security Agent, and if such deeds and documents cannot be located, to promptly replace them upon the request of the Security Agent. The Security Agent is entitled to hold and retain all such deeds and documents of title until the Security has been discharged in accordance with Clause 23 (*Discharge of Security*) or, if earlier, until the Material Real Property to which such deeds or documents of title relate is released from the Security in accordance with the Secured Debt Documents.

5.2 Present Material Real Property

Each Chargor shall, in respect of all Material Real Property that is registered or subject to registration at the Land Registry of Northern Ireland owned by it on the date of this Deed:

- (a) promptly apply to the Land Registry of Northern Ireland requesting:
 - (i) an inhibition in the following terms:

“No disposition of the lands in the folio by the registered owner of such lands or by the registered owner of any registered charge is to be registered without a written consent signed by the registered owner for the time being of the charge dated [] in favour of [] (as agent and trustee for the Secured Parties referred to in that security agreement) referred to in the charges register of the folio, or its conveyancer”,

to be entered on the folio for that Material Real Property in respect of the Security created by paragraph (a)(iii) of Clause 2.1 (*Creation of Security Interests*);

- (b) promptly pay all applicable registration fees; and
- (c) promptly deal with any requisitions by the Land Registry of Northern Ireland relating to that Material Real Property and keep the Security Agent informed as to the progress of any such application for registration, the nature of any such material requisitions and its response to any such material requisitions,

or, if the Security Agent gives notice to that Chargor that the Security Agent will submit the relevant forms to the Land Registry of Northern Ireland, that Chargor shall provide the Security Agent within a reasonable period of such notice all duly completed forms reasonably requested by the Security Agent and all applicable registration fees.

5.3 Future Material Real Property – Registered Land

If any Chargor acquires any Material Real Property after the date of this Deed, that Chargor shall as soon as reasonably practicable:

- (a) apply to the Land Registry of Northern Ireland for first registration of that Material Real Property (where that Material Real Property is capable of being registered at the Land Registry of Northern Ireland and is not already so registered) and for registration of it as proprietor of that Material Real Property;
- (b) execute and deliver to the Security Agent a legal mortgage of that Material Real Property as security for the payment of all Secured Obligations;

- (c) apply to the Land Registry of Northern Ireland to register the Security created by paragraph (a)(iii) of Clause 2.1 (*Creation of Security Interests*) and any legal mortgage created pursuant to paragraph (b) above;
- (d) apply to the Land Registry of Northern Ireland requesting an inhibition in the form specified by the Security Agent to be entered on the register of the title to that Material Real Property in respect of the Security created by paragraph (a)(iii) of Clause 2.1 (*Creation of Security Interests*) and any legal mortgage created pursuant to paragraph (b) above;
- (e) pay all applicable registration fees;
- (f) deal with any requisitions by the Land Registry of Northern Ireland relating to that Material Real Property and keep the Security Agent informed as to the progress of any such application for registration, the nature of any such material requisitions and its response to any such material requisitions,

or, if the Security Agent gives notice to that Chargor that the Security Agent will submit the relevant forms to the Land Registry of Northern Ireland, that Chargor shall provide the Security Agent within a reasonable period of such notice all duly completed forms reasonably requested by the Security Agent and all applicable registration fees.

5.4 Unregistered Material Real Property

In the case of a Chargor's Material Real Property, both present and acquired after the date of this Deed, which is not registered at the Land Registry of Northern Ireland and is not required by law or this Deed to be so registered, if the title deeds and documents are not deposited with the Security Agent, that Chargor shall as soon as reasonably practicable apply to the Registry of Deeds of Northern Ireland to register:

- (a) in respect of all such Material Real Property owned by it on the date of this Deed, this Deed and the Security created by paragraph (a)(i) and paragraph (a)(ii) of Clause 2.1 (*Creation of Security Interests*); and
- (b) in respect of all such Material Real Property acquired by it after the date of this Deed, this Deed, the Security created by paragraph (a)(i) and paragraph (a)(ii) of Clause 2.1 (*Creation of Security Interests*) and any legal mortgage created pursuant to paragraph (b) of Clause 5.3 (*Future Material Real Property*).

5.5 Land Certificate

On completion of the registration of any Security Interest pursuant to this Clause 5, the relevant Chargor shall as soon as reasonably practicable supply to the Security Agent a certified copy of the Land Certificate issued by the Land Registry of Northern Ireland or any memorial issued by the Registry of Deeds (as the case may be).

5.6 Power to remedy

- (a) If a Chargor does not comply with any provision of this Clause 5, the Security Agent, or any agent, contractor or other person required by the Security Agent, may take any action reasonably required by the Security Agent to comply with any such provision.

- (b) The cost and expense of any action referred to in paragraph (a) above shall be borne by the relevant Chargor.

5.7 Environmental Matters

The Security Agent shall not:

- (a) accept any liability in respect of Environmental Claims or as a result of a breach by any Chargor of any applicable Environmental Law or Environmental Permit; or
- (b) be responsible for obtaining or maintaining any Environmental Permit.

6. CHARGED ACCOUNTS

6.1 Restriction on Charged Accounts

Each Chargor shall promptly (and in any event within 5 Business Days):

- (a) notify the Security Agent of any Charged Account in which it has an interest; and
- (b) give notice to the relevant account bank in respect of each Charged Account substantially in the form set out in Schedule 8 (Form of notice of charge of Charged Account) (or in such other form as is acceptable to the Security Agent),

and shall use all reasonable endeavours to ensure that each recipient of any notice promptly signs and returns the relevant form of acknowledgement, provided that if that Chargor, using all reasonable endeavours, is not able to obtain an acknowledgement from any such recipient within 20 Business Days from the date of delivery of the notice, the obligation to use all reasonable endeavours to obtain a signed form of acknowledgement shall cease.

6.2 Withdrawals – Charged Accounts

- (a) Prior to the occurrence of a Declared Default, each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account.
- (b) Following the occurrence of a Declared Default and delivery of notice by the Security Agent to the relevant Account Bank, no Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Charged Account except with the prior consent of the Security Agent.

6.3 Documents

At any time following the occurrence of a Declared Default, each Chargor shall promptly upon request by the Security Agent deliver to it, and the Security Agent shall be entitled to hold, such documents relating to that Chargor's Charged Accounts as the Security Agent requires, including any notice to the relevant bank or financial institution of the Security Interests over any Charged Account in such form as the Security Agent requires, which shall not be on terms less favourable to the Chargor than the terms contained in the notice set out in Schedule 8 (*Form of notice of charge of Charged Account*).

7. RECEIVABLES

7.1 Payment into designated Charged Account(s)

Each Chargor shall:

- (a) collect all Receivables in a prudent manner;

- (b) pay all proceeds of collection of Receivables into a Charged Account(s); and
- (c) at any time following the occurrence of a Declared Default, immediately pay all monies received or receivable by it from any source (including all proceeds of collection of Receivables) into the relevant Charged Account(s) designated for this purpose by the Security Agent (and the Security Agent may designate different Charged Accounts for different moneys).

7.2 Restrictions on dealing with Receivables

No Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, factor, transfer, discount or otherwise dispose of all or any part of any of its Receivables except as permitted under the Credit Facility Agreement or not prohibited under the other Secured Debt Documents.

7.3 Documents

At any time following the occurrence of a Declared Default, each Chargor shall promptly upon request by the Security Agent deliver to it, and the Security Agent shall be entitled to hold, such documents relating to that Chargor's Receivables as the Security Agent requires.

8. SHARES

8.1 Notification

Each Chargor shall as soon as reasonably practicable notify the Security Agent of any intention of which it becomes aware for any Share to be held in uncertificated form and to be transferable through CREST.

8.2 Documents

Each Chargor shall on the date of this Deed and, where Shares are acquired by it after the date of this Deed, promptly and in any event within 10 days of such acquisition:

- (a) deliver to the Security Agent, or as it directs, and the Security Agent shall be entitled to hold, all certificates and other documents of title or evidence of ownership in relation to its Shares; and
- (b) deliver to the Security Agent, or as it directs, and the Security Agent shall be entitled to hold, transfers of the Shares, each executed in blank and left undated, and other documents relating to the Shares reasonably required by the Security Agent.

8.3 Voting before enforcement

At any time prior to the occurrence of a Declared Default:

- (a) each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share provided that:
 - (i) it does so for a purpose not inconsistent with any Secured Debt Document; and
 - (ii) the exercise of or, as the case may be, the failure to exercise those rights would not have a material adverse effect on the value of the relevant Shares or the Security Assets or the ability of the Security Agent to realise the Security Interests and would not otherwise prejudice the interests of any Secured Party under any Secured Debt Document; and

- (b) the Security Agent shall, if it is reasonably possible for it to do so, forward to the relevant Chargor all material notices, correspondence and other communication it receives relating to the Shares.

8.4 Voting after enforcement

At any time following the occurrence of a Declared Default in circumstances where the Security Agent has given notice to the relevant Chargor that it intends to exercise its rights under this Clause 8.4:

- (a) the Security Agent or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share; and
- (b) each Chargor shall comply or procure the compliance with any directions of the Security Agent or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Agent or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights.

8.5 Dividends before enforcement

At any time prior to the occurrence of a Declared Default each Chargor shall be entitled to retain all dividends, distributions and other monies deriving from the Shares.

8.6 Dividends after enforcement

At any time following the occurrence of a Declared Default each Chargor shall hold all dividends, distributions and other monies deriving from the Shares received by it on trust for the Secured Parties and transfer or pay the same immediately to the Security Agent or as it may direct.

8.7 Shares held by nominees of Chargors

If any Share is held in the name of a nominee of a Chargor, that Chargor shall promptly and in any event within 5 Business Days of request by the Security Agent deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Agent, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Agent requires.

8.8 Communications

- (a) Each Chargor shall as soon as reasonably practicable deliver to the Security Agent a copy of, and comply with, each request for information which is within its knowledge and which is made under section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of its Shares.
- (b) If a Chargor does not comply with paragraph (a) above, the Security Agent may provide any information it has on behalf of that Chargor.

8.9 Payment of calls

- (a) Each Chargor shall promptly pay all calls or other payments in respect of any of its Shares.
- (b) If a Chargor does not comply with paragraph (a) above, the Security Agent may pay that call or other payment on behalf of that Chargor.

- (c) The relevant Chargor shall within 3 Business Days of a request by the Security Agent reimburse and indemnify the Security Agent for any payment made by the Security Agent under this Clause 8.9.

8.10 Amendments

No Chargor shall amend, vary, novate, supplement, supersede, waive or terminate any term of the constitutional documents of any member of the Group over whose shares security is purported to be given under the terms of this Deed or any other Secured Debt Document except in writing and provided that:

- (a) that amendment, variation, novation, supplement, superseding, waiver or termination is permitted by the Intercreditor Agreement and the other Debt Documents; and
- (b) it could not be reasonably expected materially and adversely to affect the interests of the Secured Parties.

9. INVESTMENTS

9.1 Documents

Each Chargor shall on the date of this Deed and, where Investments are acquired by it after the date of this Deed, promptly and in any event within 10 days of such acquisition:

- (a) deliver to the Security Agent, or as it directs, and the Security Agent shall be entitled to hold, all certificates and other documents of title or evidence of ownership in relation to its Investments; and
- (b) deliver to the Security Agent, or as it directs, and the Security Agent shall be entitled to hold, transfers of the Investments, each executed in blank and left undated, and other documents relating to the Investments reasonably required by the Security Agent.

9.2 Voting before enforcement

At any time prior to the occurrence of a Declared Default:

- (a) each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment provided that:
 - (i) it does so for a purpose not inconsistent with any Secured Debt Document; and
 - (ii) the exercise of or, as the case may be, the failure to exercise those rights would not have a material adverse effect on the value of the relevant Investment or the Security Assets or the ability of the Security Agent to realise the Security Interests and would not otherwise prejudice the interests of any Secured Party under any Secured Debt Document; and
- (b) the Security Agent shall forward to the relevant Chargor, if it is reasonably possible for it to do so, all material notices, correspondence and other communication it receives relating to the Investments.

9.3 Voting after enforcement

At any time following the occurrence of a Declared Default:

- (a) the Security Agent or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment; and
- (b) each Chargor shall comply or procure the compliance with any directions of the Security Agent or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Agent or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights.

9.4 Dividends before enforcement

At any time prior to the occurrence of a Declared Default, each Chargor shall be entitled to retain all dividends, distributions and other monies deriving from the Investments.

9.5 Dividends after enforcement

- (a) At any time following the occurrence of a Declared Default each Chargor shall hold all dividends, distributions and other monies deriving from the Investments received by it on trust for the Secured Parties and transfer or pay the same immediately to the Security Agent or as it may direct.

9.6 Investments held by nominees of Chargors

If any Investment of a Chargor is held in the name of a nominee of that Chargor, that Chargor shall promptly and in any event within 5 Business Days of request by the Security Agent deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Agent, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Agent requires.

9.7 Communications

- (a) Each Chargor shall as soon as reasonably practicable deliver to the Security Agent a copy of, and comply with, each request for information which is within its knowledge and which is made under section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of its Investments.
- (b) If a Chargor does not comply with paragraph (a) above, the Security Agent may provide any information it has on behalf of that Chargor.

9.8 Payment of calls

- (a) Each Chargor promptly and in any event within 5 Business Days pay all calls or other payments in respect of any of its Investments.
- (b) If a Chargor does not comply with paragraph (a) above, the Security Agent may pay that call or other payment on behalf of that Chargor.
- (c) The relevant Chargor shall within 3 Business Days of a request by the Security Agent reimburse and indemnify the Security Agent for any payment made by the Security Agent under this Clause 9.8.

10. INTELLECTUAL PROPERTY

10.1 Notification

Each Chargor shall promptly (and in any event within 5 Business Days):

- (a) notify the Security Agent of its acquisition of, or agreement to acquire (by licence or otherwise) any Intellectual Property in which it has any interest that is required to conduct its business or any material part of it and any application by it or on its behalf to register any Intellectual Property;
- (b) following a request by the Security Agent, deliver to the Security Agent, and the Security Agent shall be entitled to hold, documents (including, without limitation all any licences relating to them and any forms and certificates relating to any registrations of such Intellectual Property) relating to that Chargor's Intellectual Property. The Security Agent is entitled to hold and retain all such documents until the security has been discharged in accordance with Clause 21 (*Discharge of Security*) or, if earlier, until the Intellectual Property to which documents relate is released from the Security in accordance with the Secured Debt Documents.

10.2 Registered Intellectual Property

Each Chargor shall as soon as reasonably practicable:

- (a) execute all such documents and to all such things as the Security Agent may reasonably require to record this Deed and/or the interest of the Security Agent in the Register of Trade Marks and any other applicable register in relation to Intellectual Property; and
- (b) if the Security Agent gives notice to that Chargor that the Security Agent will submit the relevant forms to the relevant register, provide the Security Agent within a reasonable period of such notice all duly completed forms reasonably requested by the Security Agent and all applicable registration fees.

10.3 Restrictions on dealing with Intellectual Property

No Chargor shall grant an exclusive registered user agreement or exclusive license in relation to any of its present or future Intellectual Property except as permitted under the Secured Debt Documents.

11. INSURANCES

11.1 Documents

Each Chargor shall within 10 Business Days upon request by the Security Agent, and at any time following the occurrence of a Declared Default, promptly upon request by the Security Agent, deliver to it, and the Security Agent shall be entitled to hold, such contracts and policies of insurance taken out by or on behalf of it and the related premium receipts, and such other documents relating to that Chargor's Insurances, as the Security Agent requires. The Security Agent is entitled to hold and retain all such contracts and policies of insurance until the security has been discharged in accordance with Clause 21 (*Discharge of Security*) or, if earlier, until the Insurances to which documents relate is released from Security in accordance with the Secured Debt Documents.

11.2 Sole loss payee

At any time following the occurrence of a Declared Default and following a request by the Security Agent, each Chargor shall use its reasonable endeavours to ensure that each contract

and policy of insurance taken out by or on behalf of it names the Security Agent as sole loss payee.

11.3 Enforceability

No Chargor shall do or omit to do or permit to be done or omitted anything which could reasonably be expected to render any of its Insurances which are material in the context of the business of the Group void, voidable or unenforceable.

11.4 Power to insure

- (a) If a Chargor does not comply with any requirement to insure its assets under the Secured Debt Documents, the Security Agent may take out any insurances of the assets of that Chargor or any of them reasonably required by the Security Agent and may take any action reasonably required by the Security Agent to comply with any such provision.
- (b) The cost and expense of any action referred to in paragraph (a) above shall be borne by the relevant Chargor.

11.5 Notice of assignment

Each Chargor shall give notice of the assignment in paragraph (c) of Clause 2.1 (*Creation of Security Interests*) substantially in the form set out in Schedule 7 (*Form of notice of assignment of Insurances*) (or in such other form as is acceptable to the Security Agent) and shall use all reasonable endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement provided that if that Chargor, using all reasonable endeavours, is not able to obtain an acknowledgment from any such recipient within 20 Business Days from the date of delivery of the notice, the obligation to use all reasonable endeavours to obtain a signed form of acknowledgement shall cease.

11.6 Criminal Damage Claims

Each Chargor shall:

- (a) notify the Security Agent in writing as soon as practicable after becoming aware of any event or circumstance which will or is likely to give rise to a Criminal Damage Claim specifying in reasonable detail the nature of the event or circumstance which will or is likely to give rise to the claim and the extent of the damage to the Security Assets located in Northern Ireland;
- (b) institute a claim under the Criminal Damage Order and take all steps required to obtain payment of the maximum amount of compensation possible under the Criminal Damage Order;
- (c) apply all monies received pursuant to a Criminal Damage Claim in accordance with Clause 11.7 (*Use of Proceeds*);
- (d) pay all monies received in relation to or arising out of any Criminal Damage Claim to the Security Agent (or if not paid directly to the Security Agent) hold or procure that such monies shall be held on trust for the Security Agent; and
- (e) should the Criminal Damage Order ever be repealed in Northern Ireland, ensure that the Real Property located in Northern Ireland is properly insured with the appropriate terrorism insurance, but only to the extent that such insurance cover is commercially available without onerous terms (including, without limitation, the payment of any unreasonable premium) and that the insurance

obligation validly falls to it, and notify the Security Agent immediately upon having put such insurance in place.

11.7 Use of proceeds

The proceeds of any insurance claim shall be applied in accordance with the terms of the Secured Debt Documents.

12. ASSIGNED AGREEMENTS

12.1 Documents

Each Chargor shall promptly upon request by the Security Agent deliver to it, and the Security Agent shall be entitled to hold, executed copies of each Assigned Agreement to which it is a party and shall promptly deliver such other documents relating to the Assigned Agreements as the Security Agent requires. The Security Agent is entitled to hold and retain all such documents until the security has been discharged in accordance with Clause 21 (*Discharge of Security*) or, if earlier, until the Assigned Agreement to which documents relate is released from the Security in accordance with the Secured Debt Documents.

12.2 Notice of assignment

Each Chargor shall within 10 Business Days of the date of this Deed (or, if later, the date of the relevant Assigned Agreement) give notice of the assignment in paragraph (d) of Clause 2.1 (*Creation of Security Interests*) substantially in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Agreements*) (or in such other form as is acceptable to the Security Agent) and shall use all reasonable endeavours to ensure that each recipient of any notice promptly signs and returns the relevant form of acknowledgement, provided that if that Chargor, using all reasonable endeavours, is not able to obtain an acknowledgement from any such recipient within 20 Business Days from the date of delivery of the notice, the obligation to use all reasonable endeavours to obtain a signed form of acknowledgement shall cease.

12.3 Chargors still liable

Each Chargor shall remain liable to perform all its obligations under each Assigned Agreement to which it is a party. Neither the Security Agent, any Receiver nor any Delegate shall be under any obligation or liability to a Chargor or any other person under or in respect of any Assigned Agreement.

13. REPRESENTATIONS AND WARRANTIES

(a) Each Chargor represents and warrants to the Security Agent on the date of this Deed that as at the date of this Deed:

- (i) Schedule 3 (*Real Property*) identifies all of the Material Real Property in which it has any interest;
- (ii) Schedule 4 (*Charged Accounts*) identifies all of the Charged Accounts in which it has any interest;
- (iii) Schedule 5 (*Shares*) identifies all of the Shares in which it has any interest; and
- (iv) Schedule 6 (*Intellectual Property*) identifies all of the Intellectual Property in which it has any interest.

- (b) Each Chargor represents and warrants that, to the best of their knowledge and belief, the factual information provided by the Chargors in Schedules 1, 3, 5 and 6 to this Deed is correct, complete and accurate in all material respects as of the date of this Deed.

14. ENFORCEMENT OF SECURITY INTERESTS

14.1 When enforceable

The Security Interests shall be immediately enforceable on and at any time after the occurrence of a Declared Default.

14.2 Enforcement action

At any time after the Security Interests have become enforceable, the Security Agent may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit or in accordance with the Intercreditor Agreement.

14.3 Statutory powers

- (a) At any time after the Security Interests have become enforceable, the powers, authorities and discretions conferred by the 1881 Act or the 1911 Act on mortgagees, including the power of sale and other powers conferred by Section 19 of the 1881 Act and supplemented by Section 4 of the 1911 Act free from the restrictions contained in Sections 19 and 20 of the 1881 Act as varied and extended by this Deed, shall be immediately exercisable.
- (b) The restrictions on the right of consolidating mortgages contained in Section 17 of the 1881 Act will not apply to this Deed.
- (c) The statutory powers of leasing and accepting surrenders of leases conferred on the Security Agent and any Receiver by the Acts shall apply to this Deed and the Security Agent and any Receiver may exercise the powers conferred by the Acts to accept surrenders of leases for any purpose that it or he thinks fit without the need to comply with the requirements of section 18 of the 1881 Act and section 3 of the 1911 Act.
- (d) The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Acts.
- (e) All of the powers, authorities and discretions which are conferred by this Deed upon a Receiver (either expressly or impliedly) may be exercised after the Security becomes enforceable by the Security Agent in relation to all or any part of the Security Assets both before and after the appointment of a Receiver.

14.4 Mortgagee in Possession

- (a) In addition to the statutory powers incidental to the estate or interest of mortgagees contained in the Acts as more particularly detailed in Clause 14.3 (*Statutory powers*) and at any time after the Security has become enforceable, the Security Agent may, without further notice or demand and without the need to obtain the consent of the Chargors, enter into possession of the Security Assets.

- (b) After the Security Agent, in accordance with the provisions of this Deed, enters into possession of the Real Property, the Security Agent will have power to:
- (i) effect and carry out upon any building or erection for the time being comprised in such part of the Real Property of which the Security Agent is in possession any such repairs, amendments, alterations and additions as the Security Agent may reasonably consider necessary or desirable for the maintenance or protection of all or any part of the Real Property;
 - (ii) lease or agree to lease any or part of the Real Property of which the Security Agent is in possession for such period at such rent and upon such terms with or without a premium or fine in all respects as the Security Agent may from time to time think fit; and
 - (iii) perform or cause to be performed all acts and things requisite or desirable according to the law of the country in which the Real Property or any part thereof of which the Security Agent is in possession is situate for the purpose of giving effect to the exercise of any of the said powers, authorities and discretions.

15. APPOINTMENT OF RECEIVERS AND ADMINISTRATORS

15.1 Appointment of Receivers

If:

- (a) requested by any Chargor; or
- (b) the Security Interests have become enforceable,

without any notice or further notice, the Security Agent may, by deed or otherwise in writing signed by the Security Agent or any person authorised for this purpose by the Security Agent, appoint one or more persons to be a Receiver of all or any part of the Security Assets. The Security Agent may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Agent appoints more than one person as Receiver, the Security Agent may give those persons power to act either jointly or severally.

15.2 Appointment of Administrators

Paragraph 15 of Schedule B1 to the Insolvency Order applies to this Deed and the Security Agent may appoint an Administrator of any Chargor pursuant to that paragraph.

15.3 Agent of Chargor

Any Receiver shall be the agent of the relevant Chargor for all purposes. That Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults.

15.4 Remuneration of Receivers

The Security Agent may determine the remuneration of any Receiver and the provisions of Section 24 of the 1881 Act (as modified by the provisions of this Deed) shall not apply. The Security Agent may direct payment of that remuneration out of moneys it receives as Receiver. The relevant Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of the Receiver.

16. RIGHTS AND LIABILITIES OF SECURITY AGENT AND RECEIVERS

16.1 Rights of Receivers

Any Receiver appointed pursuant to Clause 15 (*Appointment of Receivers and Administrators*) shall have:

- (a) the rights set out in Schedule 2 (*Rights of Receivers*); and
- (b) the rights, powers, privileges and immunities conferred by law, including:
 - (i) in the case of an administrative receiver, the rights, powers, privileges and immunities conferred by the Insolvency Order on administrative receivers duly appointed under the Insolvency Order; and
 - (ii) in all other cases, the rights, powers, privileges and immunities conferred by the 1881 Act, the 1911 Act and Schedule 1 of the Insolvency Order on receivers or receivers and managers.

16.2 Rights of Security Agent

At any time after the Security Interests have become enforceable, to the fullest extent permitted by law, any rights conferred by any Secured Debt Document or by law upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have appointed a Receiver of all or any part of the Security Assets.

16.3 Delegation

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Secured Debt Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent thinks fit and the Security Agent may pass confidential information to any such delegate.

16.4 Financial collateral arrangement

- (a) To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Security Agent shall have the right, at any time after the Security Interests have become enforceable, to appropriate any Security Asset which constitutes Financial Collateral in such manner as it sees fit in or towards satisfaction of the Secured Obligations in accordance with the Financial Collateral Regulations.
- (b) If the Security Agent is required to value any equivalent financial collateral or Financial Collateral for the purpose of paragraph (a) above, the value shall be:
 - (i) in the case of cash, its face value at the time of appropriation or set-off; and
 - (ii) in the case of financial instruments or other Financial Collateral, their market value at the time of appropriation or set-off as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as the Security Agent may select, including a valuation carried out by an independent investment bank, firm of accountants or other valuers appointed by the Security Agent,

as converted, where necessary, into the currency in which the Secured Obligations are denominated at a market rate of exchange prevailing at the time of appropriation or set-off selected by the Security Agent. The Parties agree that the methods of valuation set out in this paragraph (b) are commercially reasonable for the purpose of the Financial Collateral Regulations.

16.5 Possession

If the Security Agent, any Receiver or any Delegate takes possession of the Security Assets, it may at any time relinquish possession. Neither the Security Agent, any Receiver nor any Delegate shall be liable, by reason of viewing or repairing any of the present or future assets of any Chargor, as a mortgagee in possession.

16.6 Security Agent's liability

Neither the Security Agent, any Receiver nor any Delegate shall, either by reason of taking possession of the Security Assets or for any other reason and whether as mortgagee in possession or otherwise, be liable for:

- (a) any costs, losses, liabilities or expenses relating to the realisation of any Security Assets; or
- (b) any act or omission of the Security Agent, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Security Assets or in connection with the Secured Debt Documents, unless directly caused by its gross negligence or wilful misconduct.

17. ORDER OF APPLICATION

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security Interests shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law, in the order of priority provided for in clause 14.1 (*Order of application*) of the Intercreditor Agreement.

18. POWER OF ATTORNEY

18.1 Appointment

Each Chargor by way of security irrevocably appoints the Security Agent, each Receiver and each Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at any time following the occurrence of a Declared Default or following a failure by the relevant Chargor to comply with any request made of it by the Security Agent pursuant to Clause 4 (*Further assurance*), at such time and in such manner as the attorney thinks fit:

- (a) to do anything which that Chargor is obliged to do under any Secured Debt Document to which it is party but has failed to do (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations as the Security Agent may reasonably specify (and in such form as the

Security Agent may reasonably require in favour of the Security Agent or its nominee(s)); and

- (b) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Security Assets or under any Secured Debt Document or under any law.

18.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 18.1 (*Appointment*).

19. PROTECTION OF THIRD PARTIES

No purchaser or other person dealing with the Security Agent, any Receiver or its agents shall be concerned to enquire:

- (a) whether the powers conferred on the Security Agent, any Receiver or its agents have arisen;
- (b) whether the powers conferred on the Security Agent, any Receiver or its agents have become exercisable;
- (c) whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- (d) whether the Security Agent, any Receiver or its agents is acting within such powers;
- (e) whether any money remains due under the Secured Debt Documents and the receipt in writing of the Security Agent, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- (f) as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- (g) as to the application of any money paid to the Security Agent, any Receiver or its agents.

20. SAVING PROVISIONS

20.1 Continuing Security

Subject to Clause 21 (*Discharge of Security*), the Security Interests are continuing Security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

20.2 Reinstatement

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

20.3 Waiver of defences

Neither the obligations of each Chargor under this Deed nor the Security Interests will be affected by an act, omission, matter or thing which, but for this Clause 20.3, would reduce, release or prejudice any of its obligations under any Secured Debt Document or any of the Security Interests (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Chargor, Debtor or other person;
- (b) the release of any other Chargor, Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) 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, Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor, Debtor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Secured Debt Document or any other document or security including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Secured Debt Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Secured Debt Document or any other document or security; or
- (g) any insolvency or similar proceedings.

20.4 Chargor intent

Without prejudice to the generality of Clause 20.3 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security Interests shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Debt Documents and/or any facility or amount made available under any of the Secured Debt Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

20.5 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment

from any person before claiming from that Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Secured Debt Document to the contrary.

20.6 Appropriations

Until all amounts which may be or become payable by the Debtors or the Chargors under or in connection with the Secured Debt Documents have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated, each Secured Party (or any trustee or agent on its behalf) may:

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

20.7 Deferral of Chargors' rights

Until all amounts which may be or become payable by the Debtors or the Chargors under or in connection with the Secured Debt Documents have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Secured Debt Documents or by reason of any amount being payable, or liability arising, under the Secured Debt Documents:

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

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 Secured Parties by the Debtors or the Chargors under or in connection with the Secured Debt Documents to be repaid in full on trust for the Secured Parties

and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 17 (*Order of application*).

20.8 Additional security

The Security Interests are in addition to and are not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Party.

20.9 Tacking

Each Secured Party shall comply with its obligations under the Secured Debt Documents (including any obligation to make further advances).

21. DISCHARGE OF SECURITY

21.1 Final redemption

Subject to Clause 21.2 (*Retention of security*), if the Security Agent is satisfied that all amounts which may be or become payable by the Debtors or the Chargors under or in connection with the Secured Debt Documents have been irrevocably paid in full and that all facilities which might give rise to Secured Obligations have terminated, the Security Agent shall at the request and cost of Johnston Press PLC take any action necessary to release, reassign or discharge (as appropriate) the Security Assets from the Security Interests, without recourse to, or any representation or warranty by, the Security Agent, the Secured Parties or any of their nominees and return all title documents to the relevant Chargor or as Johnston Press PLC may direct.

21.2 Retention of security

If the Security Agent considers, having taken appropriate legal advice, that any amount paid or credited to any Secured Party under any Secured Debt Document could reasonably be expected to be avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably paid.

22. COSTS AND EXPENSES

22.1 Expenses

Johnston Press PLC shall, promptly on demand but in any event no later than within 5 Business Days of demand, pay to the Security Agent the amount of all costs, losses, liabilities and expenses (including legal fees up to any agreed limit) reasonably incurred by the Security Agent or any Receiver or Delegate in relation to any Debt Document (including the administration, protection, realisation, enforcement or preservation of any rights under or in connection with this Deed, or any consideration by the Security Agent as to whether to realise or enforce the same, and/or any amendment, waiver, consent or release of any Debt Document and/or any other document referred to in this Deed).

22.2 VAT

Clause 16.7 (*VAT*) of the Revolving Facility Agreement (or, following the Revolving Facility Discharge Date, an equivalent provision in any other loan, credit or debt facility which is permitted under the terms of the Intercreditor Agreement) shall apply as if it were set out in full in this Deed, save that references in that clause to "Finance Party" shall be treated in this Deed as being to "Secured Party".

23. PAYMENTS

23.1 Undertaking to pay

Each Chargor shall pay each of the Secured Obligations when due in accordance with its terms.

23.2 Demands

Any demand for payment made by any Secured Party shall be valid and effective even if it contains no statement of the relevant Secured Obligations or an inaccurate or incomplete statement of them.

23.3 Payments

All payments by any Chargor under this Deed shall be made to such account, with such financial institution and in such other manner as the Security Agent may direct.

23.4 Continuation of accounts

- (a) At any time after a Secured Party has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Security Assets of any Chargor, that Secured Party may open a new account in the name of that Chargor (whether or not it permits any existing account to continue).
- (b) If that Secured Party does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of that Chargor to that Secured Party shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Obligations as at the time the relevant notice was received or deemed to have been received.

23.5 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Secured Debt Documents but any such amount may or will become due, the Security Agent or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

24. REMEDIES, WAIVERS AND DETERMINATIONS

24.1 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right or remedy under any Secured Debt Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Secured Debt Documents. No waiver or election to affirm any of the Secured Debt Documents on the part of any Secured Party shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Secured Debt Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Order.

24.2 Certificates and Determinations

Any certification or determination by the Security Agent or any Receiver of a rate or amount under any Secured Debt Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

25. SEPARATE AND INDEPENDENT OBLIGATIONS

- (a) Subject to paragraph (b) below, the Security created by each Chargor by or in connection with any Secured Debt Document is separate from and independent of the Security created or intended to be created by any other Chargor by or in connection with any Secured Debt Document.
- (b) Any reference in this Deed to a "Chargor" in relation to any Security Asset is, if that Chargor holds any right, title or interest in that Security Asset jointly with any other Chargor, a reference to those Chargors jointly.

26. 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. GOVERNING LAW

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

28. ENFORCEMENT

- (a) The courts of Northern Ireland have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- (b) The Parties agree that the courts of Northern Ireland are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 28 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.
- (d) Without prejudice to any other mode of service allowed under any relevant law, each Chargor (other than a Chargor incorporated in Northern Ireland):
 - (i) irrevocably appoints Morton Newspapers Limited of 2 Esky Drive, Carn Industrial Area, Portadown, Co Armagh BT63 5YY as its agent for service of process in relation to any proceedings before the Northern Irish courts in connection with any Secured Debt Document; and
 - (ii) agrees that failure by a process agent to notify the relevant Chargor of the process will not invalidate the proceedings concerned.

This Deed has been delivered on the date stated at the beginning of this Deed.

SCHEDULE 1
THE CHARGORS

Name of Chargor	Registration number	Jurisdiction of incorporation
Johnston Press plc	SC015382	Scotland
Score Press Limited	SC152233	Scotland
Local Press Limited	NI048525	Northern Ireland
Century Newspapers Limited	NI022768	Northern Ireland
The Derry Journal Limited	R0000179	Northern Ireland
Morton Newspapers Limited	NI002197	Northern Ireland

Name of Chargor

**Registration
number**

**Jurisdiction of
incorporation**

SCHEDULE 2
RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 15 (*Appointment of Receivers and Administrators*) shall have the right, either in its own name or in the name of the relevant Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(a) **Enter into possession**

to take possession of, get in and collect all or any part of the Security Assets, and to require payment to it or to any Secured Party of any Receivables;

(b) **Charged Accounts**

to apply, transfer or set-off any or all of the credit balances from time to time on any Charged Account in or towards payment or other satisfaction of all or part of the Secured Obligations;

(c) **Carry on business**

to manage and carry on any business of that Chargor;

(d) **Contracts**

to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which that Chargor is a party;

(e) **Deal with Security Assets**

to sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Security Assets (including any Fixtures, which may be sold separately from the related Real Property) to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments or deferred);

(f) **Hive down**

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or any rights attaching thereto;

(g) **Borrow money**

to borrow or raise money either unsecured or on the security of all or any part of the Security Assets (either in priority to the Security Interests or otherwise);

(h) **Lend money**

to lend money or advance credit to any person;

(i) **Covenants and guarantees**

to enter into bonds, covenants, guarantees, indemnities and other commitments;

(j) **Dealings with tenants**

to grant leases, tenancies, licences and rights of user, grant renewals and accept surrenders of leases, tenancies, licences or rights of user, and otherwise to reach agreements and make arrangements with, and to make allowances to, any lessees, tenants or other persons;

(k) **Rights of ownership**

to manage and use all or any part of the Security Assets and to exercise and do all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Security Assets;

(l) **Protection of Security Assets**

to insure all or any part of the Security Assets, to carry out decorations, repairs, alterations, improvements and additions to all or any part of the Security Assets (including the development or redevelopment of any Real Property), to commence and/or complete any building operation, to apply for and maintain any planning permission, building regulation approval or any other authorisation and to purchase or otherwise acquire or do anything in connection with all or any part of the Security Assets;

(m) **Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Security Assets or any business of that Chargor;

(n) **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Security Assets or any business of that Chargor;

(o) **Redemption of Security**

to redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Security Assets and to settle the accounts of any person with an interest in all or any part of the Security Assets;

(p) **Employees**

to appoint, hire and employ officers, employees, contractors, agents, advisors and others and to discharge any such persons and any such persons appointed, hired or employed by that Chargor;

(q) **Delegation**

to delegate in any manner to any person any rights exercisable by the Receiver under any Secured Debt Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate on a confidential and "need to know" basis;

(r) **Insolvency Order**

to exercise all powers set out in Schedule 1, Schedule B1 or Schedule 2 to the Insolvency Order as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1, Schedule B1 or Schedule 2, as the case may be, after the date of this Deed;

(s) **Receipts**

to give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Security Assets; and

(t) **Other powers**

to do anything else it may think fit for the realisation of all or any part of the Security Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Secured Debt Document to which the relevant Chargor is party, the 1881 Act, the 1911 Act and the Insolvency Order.

SCHEDULE 3
REAL PROPERTY

Morton Newspapers Limited

Leasehold/registered term of 999 years from 22 March 1995 subject to payment of rent of £1.00 per annum (if demanded). Premises at 2 Esky Drive, Carn Industrial Estate, Portadown, comprised in Folio AR 16303L County Armagh.

SCHEDULE 4
CHARGED ACCOUNTS

NONE AS AT THE DATE OF THIS DEBENTURE

SCHEDULE 5

SHARES

Local Press Limited	Name of Issuer	No. and Class of Shares
	The Derry Journal Limited	5,942 Ordinary Shares of £1 each and 4,401 Preference Shares of £1.00 each

Score Press Limited	Name of Issuer	No. and Type of Shares
	Morton Newspapers Limited	45,000 Ordinary Shares of £1.00 each

Johnston Press Plc	Name of Issuer	No. and Type of Shares
	Local Press Limited	350,000 Ordinary Shares of £1.00 each; 1,550,000 A Ordinary Shares of £0.01 each; and 100,000 B Ordinary Shares of £0.0001 each

SCHEDULE 6
INTELLECTUAL PROPERTY

Chargor	Intellectual Property -- Newspaper Titles
Morton Newspapers Limited	Portadown Times Lurgan Mail Craigavon Echo Banbridge Leader Ulster Start Lisburn Echo Mid-Ulster Mail Tyrone Times Ballymena Times Larne Times Londonderry Sentinel Ballymoney Times North West Echo
Century Newspapers Limited	News Letter Farming Life Belfast News
The Derry Journal Limited	Derry Journal Tuesday Derry Journal Friday Sunday Journal

SCHEDULE 7
FORM OF NOTICE OF ASSIGNMENT OF INSURANCES

From: [] (the "Security Agent") and [] (the "Chargor")

To: [The Insurers]

Address:

Dated:

Dear Sirs

[Chargors] – Security Agreement
dated [] (the "Security Agreement")

1. We refer to the Security Agreement.
2. We give notice that by an assignment contained in the Security Agreement the Chargor assigned to the Security Agent by way of security all its right, title and interest from time to time in and to the insurances, details of which are set out in the attached schedule (the "Insurances"), including all moneys or proceeds paid or payable deriving from the Insurances and all rights or claims in relation to the Insurances.
3. We further notify you that:
 - (a) you may continue to deal with the Chargor in relation to the Insurances until you receive written notice to the contrary from the Security Agent. Thereafter, the Chargor will cease to have any right to deal with you in relation to the Insurances and therefore from that time you should deal only with the Security Agent;
 - (b) you are authorised to disclose information in relation to the Insurances to the Security Agent on request; and
 - (c) the provisions of this notice may only be revoked with the written consent of the Security Agent.
4. Please note the interest of the Security Agent on the Insurances and show the Security Agent as loss payee.
5. This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by Northern Irish law. The courts of Northern Ireland have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment).
6. Please acknowledge receipt of this notice of assignment and confirm that:
 - (a) after receipt of the written notice in accordance with paragraph 3(a) above, you will pay all monies to which the Chargor is entitled under the Insurances to the Security Agent or as it shall direct unless the Security Agent agrees otherwise in writing;

- (b) you have not received any other notice of any assignment of any Insurance or of any other interest of any third party in any Insurance;
- (c) you will not claim or exercise any set-off or counterclaim in respect of any Insurance;
- (d) you will not cancel, avoid, release or otherwise allow the Insurances to lapse without giving the Security Agent at least 30 days' prior written notification;
- (e) you have noted the interests of the Security Agent on the Insurances; and
- (f) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Agent at [_____], marked for the attention of [_____].

[Security Agent]

[Chargor]

By:

By:

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (d) of paragraph 6 of the notice of assignment.

[The Insurers]

By:

Dated:

SCHEDULE 8
FORM OF NOTICE OF CHARGE OF CHARGED ACCOUNT

From: [] (the "Security Agent") and [] (the "Chargor")

To: [Bank where Charged Account is held]

Address:

Dated:

Dear Sirs

[Chargors] – Security Agreement

dated [] (the "Security Agreement")

1. We refer to the Security Agreement.
2. We give notice that by a charge contained in the Security Agreement the Chargor charged to the Security Agent by way of security all its right, title and interest from time to time in and to the Charged Account, details of which are set out in the attached schedule (the "**Charged Account**"), including all balances from time to time standing to the credit of or accrued or accruing on the Charged Account and all rights or claims in relation to the Charged Account.
3. We irrevocably authorise you:
 - (a) subject to paragraph 4(a), to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and
 - (b) to disclose to the Security Agent any information relating to the Chargor and the Charged Accounts which the Security Agent may from time to time request you to provide.
4. We also advise you that:
 - (a) by counter-signing this notice the Security Agent confirms that the Chargor may make withdrawals or transfer from the Charged Accounts until such time as the Security Agent shall notify you in writing that their permission is withdrawn. That permission may be withdrawn or modified by the Security Agent in its absolute discretion at any time in accordance with the terms of the Security Agreement; and
 - (b) the provisions of this notice may only be revoked or varied with the prior written consent of the Security Agent.
5. This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by Northern Irish law. The courts of Northern Ireland have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment

(including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment).

6. Please acknowledge receipt of this notice of assignment and confirm that:

- (a) you agree to act in accordance with this notice;
- (b) you have not received any other notice of any assignment of or security over the Charged Account or of any other interest of any third party in the Charged Account;
- (c) you will not claim or exercise any set-off or counterclaim in respect of the Charged Account;
- (d) you will disclose to the Security Agent such information relating to the Charged Account as the Security Agent may from time to time request; and
- (e) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Agent at _____, marked for the attention of _____.

[Security Agent]

[Chargor] / [Obligors' Agent]

By:

By:

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (e) of paragraph 6 of the notice of assignment.

[Bank where Charged Account is held]

By:

Dated:

THE SCHEDULE

Charged Account

[insert relevant details]

SCHEDULE 9
FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED AGREEMENTS

From: [] (the "Security Agent") and [] (the "Chargor")

To: [Party to the Agreement]

Address:

Dated:

Dear Sirs

[Chargors] – Security Agreement
dated [] (the "Security Agreement")

1. We refer to the Security Agreement.
2. We give notice that by an assignment contained in the Security Agreement the Chargor assigned to the Security Agent by way of security all its right, title and interest from time to time in and to the Agreements, details of which are set out in the attached schedule (the "**Assigned Agreements**"), including all rights or claims in relation to the Assigned Agreements.
3. Until you receive written instructions from the Security Agent to the contrary, all moneys payable by you to the Chargor in respect of the Assigned Agreements shall be paid to the account notified to you by the Chargor and you may continue to deal with the Chargor in relation to the Assigned Agreements.
4. Despite the assignment referred to above or the making of any payment by you to the Security Agent under or in connection with it:
 - (a) the Chargor shall remain liable to perform all its obligations under each Assigned Agreement; and
 - (b) the Security Agent and any Delegate shall not at any time be under any obligation or liability to you under or in respect of any Assigned Agreement.
5. You are authorised and instructed, without requiring further approval, to provide the Security Agent with such information relating to the Assigned Agreements as it may from time to time request and to send to the Security Agent and us copies of all notices issued by you.
6. This authority and instruction is irrevocable without the prior written consent of the Security Agent.
7. This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by Northern Irish law. The courts of Northern Ireland have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment).
8. Please acknowledge receipt of this notice of assignment and confirm that:

- (a) you will pay all moneys in respect of each Assigned Agreement as directed by or pursuant to this notice of assignment;
- (b) you have not received any other notice of any assignment of an Assigned Agreement;
- (c) you will not claim or exercise any set-off or counterclaim in respect of any Assigned Agreement; and
- (d) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Agent at [____], marked for the attention of [____].

[Security Agent]

[Chargor] / [Obligors' Agent]

By:

By:

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (d) of paragraph 8 of the notice of assignment.

[Party to the Agreement]

By:

Dated:

EXECUTED as a DEED by MORTON

NEWSPAPERS LIMITED acting by

DAVID KING a Director in the presence of

.....

.....
(Director Signature)

..... (Witness
Signature)

Witness Name: EDWARD FRY

Witness Address:

Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA

Witness Occupation:

SOLICITOR


Notice Details

Address: 2nd Floor, 2 Cavendish Square,
London, W1G 0PU

Fax: 02076122656

Attention: Company Secretary

EXECUTED as a DEED by THE DERRY JORNAL
LIMITED acting by DAVID KNE a Director in
the presence of


.....
(Director Signature)


.....
(Witness
Signature)

Witness Name: EDWARD FRY

Witness Address:

Witness Occupation: SOLICITOR

Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA

Notice Details

Address: 2nd Floor, 2 Cavendish Square,
London, W1G 0PU

Fax: 02076122656

Attention: Company Secretary

EXECUTED as a DEED by CENTURY

NEWSPAPERS LIMITED acting by

DAVID KING a Director in the presence of

(Director Signature)

(Witness
Signature)

Witness Name: EDWARD FRY

Witness Address:

Witness Occupation: SOLICITOR

Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA

Notice Details

Address: 2nd Floor, 2 Cavendish Square,
London, W1G 0PU

Fax: 02076122656

Attention: Company Secretary

EXECUTED as a DEED by LOCAL PRESS

LIMITED acting by DAVID KING a Director in
the presence of

.....
(Director Signature)

..... (Witness
Signature)

Witness Name: EDWARD FRY

Witness Address:

Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA

Witness Occupation:

SOLICITOR

Notice Details

Address: 2nd Floor, 2 Cavendish Square,
London, W1G 0PU

Fax: 02076122656

Attention: Company Secretary

EXECUTED as a DEED by JOHNSTON PRESS
PLC acting by DAVID KING a Director in the
presence of

.....
(Director Signature)

..... (Witness
Signature)

Witness Name: EDWARD FRY
Witness Address: Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA
Witness Occupation: SOLICITOR

Notice Details

Address: 2nd Floor, 2 Cavendish Square,
London, W1G 0PU

Fax: 02076122656

Attention: Company Secretary

EXECUTED as a DEED by SCORE PRESS

LIMITED acting by DAVID KING a Director in
the presence of

.....
(Director Signature)

.....
(Witness
Signature)

Witness Name: EDWARD FAY

Witness Address:

Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA

Witness Occupation: Solicitor

Notice Details

Address: 2nd Floor, 2 Cavendish Square,
London, W1G 0PU

Fax: 02076122656

Attention: Company Secretary