



Registration of a Charge

LLP name: **A A HUTTON LLP**

LLP number: **SO300293**

Received for Electronic Filing: **19/08/2016**



X5DP7N4Y

Details of Charge

Date of creation: **12/08/2016**

Charge code: **SO30 0293 0006**

Persons entitled: **LLOYDS BANK PLC (AS SECURITY AGENT)**

Brief description:

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 AS APPLIED BY THE LIMITED LIABILITY PARTNERSHIPS (APPLICATION OF COMPANIES ACT 2006) REGULATIONS 2009 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

BRODIES LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

LLP number: SO300293

Charge code: SO30 0293 0006

The Registrar of Companies for Scotland hereby certifies that a charge dated 12th August 2016 and created by A A HUTTON LLP was delivered pursuant to Part 25 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Application of Companies Act 2006) (Amendment) Regulations 2013 on 19th August 2016 .

Given at Companies House, Edinburgh on 22nd August 2016

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under the Limited Liability Partnership
(Application of the Companies Act 2006) Regulations 2009 SI 2009/1804



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

BOND AND FLOATING CHARGE

by

A A HUTTON LLP

in favour of

LLOYDS BANK PLC
as Security Agent

CERTIFIED A TRUE
COPY SAVE FOR THE
MATERIAL REDACTED
PURSUANT TO S859G
OF THE COMPANIES
ACT 2006

Franklin, member for
BRODIES LLP
Solicitors

18 August 20 *16*

Ref: *LLO1.25AKK/JW*

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THIS BOND AND FLOATING CHARGE is delivered on 12 AUGUST 2016 and made between:

- (1) **A A HUTTON LLP**, a limited liability partnership incorporated in Scotland with registration number SO300293, whose registered office is at 12 Drumsheugh Gardens, Edinburgh, EH3 7QG (the "Chargor")
- and
- (2) **LLOYDS BANK PLC** (company number: 00002065) as trustee for itself and the Secured Parties (the "Security Agent").

BACKGROUND

- (A) The Chargor is required to enter into this Floating Charge as a condition of the Finance Documents.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Floating Charge:

"Charged Assets" means all of the assets, property and undertaking of the Chargor (including uncalled capital), both present and future, from time to time.

"Debt Documents" has the meaning given to it in the Intercreditor Agreement.

"Debtor" has the meaning given to it in the Intercreditor Agreement.

"Declared Default" has the meaning given to it in the Facilities Agreement.

"Enforcement Event" means the occurrence of a Declared Default.

"Facilities Agreement" means the facilities agreement dated 29 April 2016 between, among others, Magenta Bidco Limited as original borrower and original guarantor, the financial institutions listed in part II of schedule 1 (*Original Parties*) thereto as original lenders and Lloyds Bank plc as Agent and as Security Agent and the other parties listed therein.

"Floating Charge" means this bond and floating charge.

"Financial Collateral" has the meaning given to that term in the Financial Collateral Regulations.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 (S12006 No 3226).

"Finance Document" has the meaning given to it in the Facilities Agreement.

"Insolvency Act" means the Insolvency Act 1986.

"Intercreditor Agreement" means the intercreditor agreement dated 29 April 2016 between, among others, the Parent as original debtor, the financial institutions named in part III of schedule 1 (*The Parties*) thereto as term loan lenders, the financial institutions named in part IV of schedule 1 (*The Parties*) thereto as super senior lenders and Lloyds Bank plc as Security Agent and the other parties listed therein.

"Liabilities" has the meaning given to it in the Intercreditor Agreement.

"Parent" means Magenta Interco Limited, a company incorporated in England and Wales with registration number: 9840174.

"Permitted Security" has the meaning given to it in the Facilities Agreement.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver (as the Security Agent may specify at any time in any relevant appointment) and that term will include any appointee made under a joint or several appointment.

"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 Debtor to any Secured Party under the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"Secured Parties" has the meaning given to it in the Facilities Agreement.

"Security" means any Security Interest executed, created, evidenced or conferred by or pursuant to this Floating Charge.

"Security Financial Collateral Arrangements" shall have the meaning given to that expression in the Financial Collateral Regulations.

"Security Interest" means any standard security, mortgage, charge, assignment, assignation, pledge, lien or other security interest securing any obligations of any person or any other agreement or arrangement having the effect of conferring security.

"Security Period" means the period beginning on the date of this Floating Charge and ending on the Senior Discharge Date.

"Senior Discharge Date" has the meaning given to it in the Intercreditor Agreement.

1.2 Terms defined in other Finance Documents

Unless defined in this Floating Charge, or the context otherwise requires, a term defined in the Facilities Agreement or in any other Finance Document has the same meaning in this Floating Charge, or any notice given under or in connection with this Floating Charge, as if all references in those defined terms to the Facilities Agreement or other Finance Document were a reference to this Floating Charge or that notice.

1.3 Construction

- (a) Save as otherwise provided in this Floating Charge, clause 1.2 (*Construction*) of the Facilities Agreement will apply as if incorporated in this Floating Charge, or in any notice given under or in connection with this Floating Charge, as if all references in that clause to the Facilities Agreement were a reference to this Floating Charge or that notice.
- (b) Reference to a Clause is to a clause of this Floating Charge.
- (c) A "fixed security" shall be construed as a reference to a fixed security as defined by Section 486 of the Companies Act 1985.

1.4 Intercreditor Agreement

This Floating Charge is subject to the terms of the Intercreditor Agreement.

1.5 Clawback

If the Security Agent reasonably considers that any amount paid or credited to any Finance Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Floating Charge and the Security constituted hereby will continue and such amount will not be considered to have been irrevocably paid.

1.6 Conflict of terms

- (a) To the extent that there is any conflict and/or contradiction and/or inconsistency between the terms of this Floating Charge and the terms of the Facilities Agreement and Intercreditor Agreement, the terms of the Facilities Agreement and the Intercreditor Agreement shall prevail and in such circumstances only compliance with the terms of the Facilities Agreement and Intercreditor Agreement shall be deemed to be compliance in full with the conflicting and/or contradictory and/or inconsistent terms of this Floating Charge.
- (b) To the extent that there is any conflict and/or contradiction and/or inconsistency between the terms of the Facilities Agreement and the terms of the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail and in such circumstances only, for the purposes of this Floating Charge, compliance with the terms of the Intercreditor Agreement shall be deemed to be compliance in full with the conflicting and/or contradictory and/or inconsistent terms of the Facilities Agreement and this Floating Charge.

2. COVENANT TO PAY

The Chargor undertakes to the Security Agent to pay, discharge and satisfy the Secured Obligations when they become due for payment and discharge in accordance with their respective terms.

3. FLOATING CHARGE

3.1 General

The Security created by and constituted pursuant to this Floating Charge is:

- (a) granted in favour of the Security Agent as security trustee for the Secured Parties;
- (b) continuing security for the payment, discharge and performance of the Secured Obligations (regardless of any intermediate payment);
- (c) subject to any Permitted Security, granted with absolute warranty; and
- (d) granted in respect of all the right, title and interest (if any), present and future, of that Chargor in relation to the Charged Assets.

3.2 Floating Charge

- (a) The Chargor as security for the payment and discharge of all the Secured Obligations hereby grants in favour of the Security Agent a floating charge over the Charged Assets.
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Floating Charge.
- (c) To the extent that the Charged Assets (or any of them) constitute Financial Collateral, the Chargor agrees that such Charged Assets shall be held or redesignated so as to be under the control of the Security Agent for all purposes of the Financial Collateral Regulations.

4. RESTRICTIONS ON DEALING

4.1 Restrictions on dealings

The Chargor shall not:

- (a) create or allow to exist any Security Interest over all or any part of the Charged Assets; or
- (b) either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily sell, transfer, licence lease or otherwise dispose of all or

any part of its assets or enter into any other preferential arrangement having a similar effect;

unless expressly permitted under the Facilities Agreement.

- 4.2 Except as may be agreed by the Security Agent in advance and subject to section 464(2) of the Companies Act 1985, the Security created by this Floating Charge shall rank in priority to any fixed security which shall be created by the Chargor after its execution of this Floating Charge (other than a fixed security in favour of the Security Agent or as expressly permitted under the Facilities Agreement) and to any other floating charge which shall be created by the Chargor after its execution of this Floating Charge.
- 4.3 If the Chargor creates, incurs, assumes or permits to subsist any Security Interest in breach of this Clause 4, then this Floating Charge shall rank in priority to any such Security Interest.

5. FURTHER ASSURANCE

5.1 Further assurance

- (a) The Chargor shall promptly, at its own cost and subject to the Agreed Security Principles and receipt of any necessary consents, do all such acts or execute all such documents (including assignments, assignations, standard securities, transfers, mortgages, charges, pledges, notarisations, registrations, notices and instructions) 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):
- (i) to perfect the Security created or intended to be created by this Floating Charge in respect of the Charged Assets (which may include the execution by the Chargor of all assignations and transfers (in favour of the Security Agent or any Receiver or to such nominee as either shall direct) of the Charged Assets which come into existence after the date of this Floating Charge) or for the exercise of any the rights, powers, authorities, discretions and remedies of the Security Agent, any Receiver or the Secured Parties provided by or pursuant to this Security or by law;
 - (ii) to confer on the Security Agent (or the Secured Parties) security over any property, asset or undertaking of such Chargor located in any jurisdiction outside Scotland equivalent or similar to the security intended to be conferred by or pursuant to this Floating Charge; and/or
 - (iii) after the Security has become enforceable, to facilitate the realisation of the Charged Assets.

5.2 Necessary Action

Subject to the Agreed Security Principles, the Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary or as may reasonably be requested by the Security Agent for the purpose of the creation, perfection, protection or maintenance of any Security, in each case in a manner which is consistent with the remaining provisions of this Floating Charge and, in the case of any document required to be created under this Clause 5.2, containing provisions corresponding to, and which are on terms no more onerous than, the Facilities Agreement or this Floating Charge.

6. WHEN SECURITY BECOMES ENFORCEABLE

6.1 Timing

This Security will become immediately enforceable and the Security Agent may appoint an administrator or a Receiver any time:

- (a) after the occurrence of an Enforcement Event; or

- (b) If the Chargor requests that the Security Agent exercises any of its powers under this Floating Charge.

6.2 Enforcement

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in any manner it sees fit or as may be directed by the relevant Secured Parties in accordance with the Intercreditor Agreement.

7. ENFORCEMENT OF SECURITY

7.1 General

To the extent that all or any part of the Charged Assets constitutes Financial Collateral and are subject to a Security Financial Collateral Arrangement created by or pursuant to this Floating Charge, the Security Agent and any administrator or Receiver shall have the right, at any time after this Floating Charge becomes enforceable, to appropriate all or any part of those Charged Assets in or towards the payment or discharge of the Secured Obligations. The value of any Charged Assets so appropriated shall be the price of those Charged Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Security Agent may select. The Chargor agrees that the methods of valuation provided for in this Floating Charge are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations.

7.2 No liability as mortgagee in possession

None of the Security Agent, any Receiver nor a nominee of either of them will be liable, by reason of entering into possession of a Charged Asset:

- (a) to account as heritable creditor or mortgagee in possession or for any loss on realisation; or
- (b) for any default or omission for which a heritable creditor or mortgagee in possession might be liable,

except in the case of gross negligence or wilful default on its part.

7.3 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Security Agent or to that Receiver is to be applied.

7.4 Redemption of prior security interests

- (a) At any time after this Security has become enforceable, the Security Agent may:
 - (i) redeem any prior Security Interest against any Charged Asset; and/or
 - (ii) procure the transfer of that Security Interest to itself or its nominee; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, creditor, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.

- (b) The Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

7.5 Effect of Moratorium

The Security Agent shall not be entitled to exercise its rights under Clause 6.2 (*Enforcement*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

8. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

8.1 Appointment and removal

After this Security has become enforceable the Security Agent may (in writing) appoint any person or persons (if more than one with power to act both jointly and separately) to be an administrator of the Chargor or (subject, if applicable, to Section 72A of the Insolvency Act) a Receiver of the Charged Assets. In addition, and without prejudice to the foregoing provisions of this Clause, in the event that any person appointed to be a Receiver shall be removed by a Court or shall otherwise cease to act as such, then the Security Agent shall be entitled so to appoint another person as Receiver in his place.

8.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 8.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of the Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time.

9. POWERS OF ADMINISTRATORS OR RECEIVERS

- 9.1 An administrator shall have the powers set out in Schedule 1 to the Insolvency Act 1986. A Receiver shall have and be entitled to exercise, in addition to and without limiting all the powers of a receiver under Schedule 2 of the Insolvency Act, all the powers of an administrative receiver set out in Schedule 1 of the Insolvency Act.

- 9.2 A Receiver may exercise any powers or rights incidental to ownership of the Charged Assets, including power to:-

- (a) exercise any voting rights attached to shares or to enforce any securities;
- (b) implement and exercise all or any of the Chargor's powers and/or rights and/or obligations under any contract or other agreement forming a part of the Charged Assets;
- (c) make any arrangement or compromise which he shall think expedient of or in respect of any claim by or against the Chargor;
- (d) promote or procure the formation of any new company or corporation;
- (e) subscribe for or acquire for cash or otherwise any share capital of such new company or corporation in the name of the Chargor and on its behalf and/or in the name(s) of a nominee(s) or trustee(s) for it;

- (f) sell, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or realise the Charged Assets or any part thereof to any such new company or corporation and accept as consideration or part of the consideration therefor in the name of the Chargor and on its behalf and/or in the names of any nominee(s) or trustee(s) for it, any shares or further shares in any such company or corporation or allow the payment of the whole or any part of such consideration to remain deferred or outstanding by way of loan or debt or credit;
- (g) sell, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or realise on behalf of the Chargor any such shares or deferred consideration or part thereof or any rights or benefits attaching thereto;
- (h) convene an extraordinary general meeting of the Chargor;
- (i) acquire any property on behalf of the Chargor;
- (j) do all such other acts and things as he may consider necessary or desirable for protecting or realising the Charged Assets, or any part thereof, or incidental or, conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of or pursuant to this Floating Charge and exercise in relation to the Charged Assets, or any part thereof, all such powers and authorities and do all such things as he would be capable of exercising or doing if he were the absolute beneficial owner of the same and use the name of the Chargor for all and any of the purposes aforesaid.
- (k) do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of any rights, powers and remedies of the Security Agent provided by or pursuant to this Security or by law (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
 - (iii) bringing to his hands any assets of the Chargor forming part of, or which when got in would be, Charged Assets.

10. APPLICATION OF MONIES

All moneys received or recovered under or by virtue of this Floating Charge following enforcement of the Security hereby granted shall (subject to the claims of any creditors ranking in priority to or *pari passu* with the claims of the Security Agent under this Floating Charge) be applied in accordance with the Intercreditor Agreement.

11. PROTECTION OF PURCHASERS

11.1 Consideration

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

11.2 Protection of purchasers

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or validity on the part of the Security Agent or such Receiver in such dealings.

12. POWER OF ATTORNEY

12.1 Appointment and powers

The Chargor irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all other documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on such Chargor by this Security or any other agreement binding on such Chargor to which the Security Agent is party (including the execution and delivery of any deeds, charges, assignments, assignations or other security and any transfers or dispositions of the Charged Assets and perfecting the security created or intended to be created in respect of the Charged Assets) and which such Chargor has been requested in writing by the Security Agent to do, but has failed to do within five Business Days of such request; and
- (b) enabling the Security Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Security or by law (including, after this Security has become enforceable in accordance with Clause 6 (*When Security Becomes Enforceable*), the exercise of any right of a legal or beneficial owner of the Charged Assets).

12.2 Exercise of power of attorney

The power of attorney granted pursuant to Clause 12.1 (*Appointment and powers*) is effective immediately but the Security Agent and any Receiver may only exercise its powers following:

- (a) the occurrence of an Enforcement Event; or
- (b) the failure by a Chargor to comply with any undertaking or obligation under this Floating Charge within five Business Days of being notified of that failure by the Security Agent (with a copy of such notice being sent to the Parent).

12.3 Ratification

The Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers save in relation to any breach by the Security Agent of the provisions of Clause 12.2 (*Exercise of power of attorney*).

13. EFFECTIVENESS OF SECURITY

13.1 Continuing security

- (a) The Security shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Agent.
- (b) No part of the Security will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

13.2 Cumulative rights

The Security shall be cumulative, in addition to and independent of every other Security Interest which the Security Agent or any Finance Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior Security Interest held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Finance Parties over the whole or any part of the Charged Assets shall merge into the Security.

13.3 No prejudice

The Security shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Finance Parties or by any variation of the terms of the trust upon which the Security Agent holds the Security or by any other thing which might otherwise prejudice that Security.

13.4 Remedies and waivers

No failure on the part of the Security Agent to exercise, or any delay on its part in exercising, any rights, powers and remedies of the Security Agent provided by or pursuant to this Security, shall operate as a waiver of those rights, powers and remedies, nor shall any single or partial exercise of any such rights, powers and remedies preclude any further or other exercise of that or any other rights, powers and remedies.

13.5 Severability

If, at any time, any provision of this Security is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Security nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Security is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

13.6 Waiver of defences

The obligations of, and the Security created by, the Chargor under this Security will not be affected by any act, omission, matter or thing which, but for this Clause 13.6, would reduce, release or prejudice any of its obligations under, or the Security created by, this Security and whether or not known to such Chargor or any Finance Party including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor or any Obligor;
- (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 Obligor or other person or any non-presentment or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any Security;
- (d) any incapacity or lack of powers, authority or legal personality of or dissolution or change in the members or status of, any Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Obligations;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security or of the Secured Obligations; and
- (g) any insolvency or similar proceedings.

13.7 Immediate recourse

The Chargor waives any right it may have of first requiring a Finance Party (or any trustee or Security Agent on its behalf) to proceed against or enforce any other rights or Security or claim

payment from any other person before claiming from such Chargor under this Security. This waiver applies irrespective of any law or any provision of this Floating Charge to the contrary.

13.8 Deferral of rights

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Security:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any guarantor of any Obligor's obligations under this Security; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Finance Parties under this Security or of any other guarantee or Security taken pursuant to, or in connection with, this Security by any Finance Party.

13.9 Collateral Security

Where any Security Interest initially takes effect as a collateral or further Security Interest to another Security Interest intended to be constituted under this Security or which otherwise secures all or any part of the Secured Obligations to which a Chargor is a party then, despite any receipt, release or discharge endorsed on or given in respect of or under the second mentioned Security Interest, the first mentioned Security Interest will operate as an independent Security Interest.

14. PRIOR SECURITY INTERESTS

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security Interest against any of the Charged Assets or in case of exercise by the Security Agent or any Receiver of any power of sale under this Security, the Security Agent may redeem such prior Security Interest or procure the transfer thereof to itself.
- (b) The Security Agent may settle and agree the accounts of the prior Security Interest and any accounts so settled and passed will be conclusive and binding on the Chargor.
- (c) All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Security Agent on demand together with accrued interest thereon as well as before judgment at the rate from time to time applicable to unpaid sums specified in the Facilities Agreement from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgment).

15. SUBSEQUENT SECURITY INTERESTS

If the Security Agent or any of the other Finance Parties at any time receives or is deemed to have received notice of any subsequent Security Interest, assignment, assignation or transfer affecting the Charged Assets or any part of the Charged Assets which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of any Chargor to the Security Agent will (in the absence of any express contrary appropriation by the Chargor) be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Obligations at the time that notice was received.

16. SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Security Agent under this Security (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with a financial institution (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Agent's discretion, in or towards the discharge of any of the Secured Obligations.

17. NOTICES

Any communication under this Security shall be made and given in accordance with the terms of clause 35 (*Notices*) of the Facilities Agreement.

18. COUNTERPARTS

18.1 This Floating Charge may be executed in any number of counterparts and by the parties on separate counterparts. Where executed in counterpart:

- (a) this Floating Charge shall not take effect until all of the counterparts have been delivered;
- (b) each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and
- (c) the parties may choose to evidence the date of delivery of this Floating Charge by inserting this on the first page of this floating Charge.

18.2 If this Floating Charge is not executed in counterparts, this Floating Charge shall be delivered on the date inserted on the first page of this Floating Charge or, if no such date is inserted, the date on which the last party signed this Floating Charge.

18.3 The parties to this Floating Charge, in accordance with section 2(1) of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 (the "Counterparts Act"), nominate Brodies LLP to take delivery of all counterparts of this Floating Charge. The parties agree that the provisions of section 2(3) of the Counterparts Act shall not apply to any counterpart of this Floating Charge.

19. GOVERNING LAW AND JURISDICTION

This Floating Charge, together with any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in all respects in accordance with the laws of Scotland and, for the benefit of the Security Agent, the Chargor irrevocably submits to the non-exclusive jurisdiction of the Scottish Courts but without prejudice to the ability of the Security Agent or any Secured Party to proceed against the Chargor in any other appropriate jurisdiction.

20. CONSENT AND AUTHORISATION

The Chargor hereby consents to the registration of this Floating Charge and of any certificate referred to in clause 36.2 of the Facilities Agreement for preservation and execution.

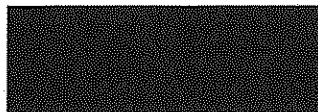
IN WITNESS WHEREOF these presents consisting of this and the preceding 11 pages are executed as follows:

EXECUTED for and on behalf of
A A HUTTON LLP
 acting by its duly authorised members:-



signature of witness

full name of above (print)	William Sheridan
	Travers Smith LLP
	10 Snow Hill
	London EC1A 2AL
	Solicitor
address of witness	



signature of director of Marston (Holdings) Limited
 as a member of A A Hutton LLP

JOHN CRICHTON
 full name of above (print)

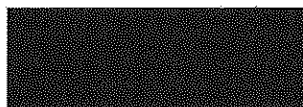
11 AUGUST 2016
 date of signing

10 SNOW HILL, EC1A 2AL
 place of signing



signature of witness

full name of above (print)	William Sheridan
	Travers Smith LLP
	10 Snow Hill
	London EC1A 2AL
	Solicitor
address of witness	



signature of director of Marston Group Limited as a
 member of A A Hutton LLP

JOHN CRICHTON
 full name of above (print)

11 AUGUST 2016
 date of signing

10 SNOW HILL, EC1A 2AL
 place of signing

EXECUTED for and on behalf of
LLOYDS BANK PLC as Security Agent
acting by:-

signature of witness

JOHN TOCNER

full name of above (print)

150 Fountainbridge
Edinburgh
EH3 9PE

Address of witness

signature of authorised signatory

NICOLA ICAY

full name of above (print)

11 August 2016

date of signing

Edinburgh

place of signing