

Dated

30 MAY

2019

- (1) GRMA-PARDUS WEALTH LIMITED
- (2) WOODSIDE CORPORATE SERVICES LIMITED

## GUARANTEE AND INDEMNITY



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THIS DEED is dated 30 May 2019

## PARTIES

- (1) GRMA-PARDUS WEALTH LIMITED incorporated and registered in England and Wales with company number 11285519 whose registered office is at 80-83 Long Lane, London, England EC1A 9ET as guarantor and indemnifier (**Guarantor**).
- (2) WOODSIDE CORPORATE SERVICES LIMITED incorporated and registered in England and Wales with company number 06171085 whose registered office is at 4<sup>th</sup> Floor, 50 Mark Lane, London, EC3R 7QR as security trustee for the Bondholders ("**Trustee**" which expression shall mean and include all additional and substitute trustees appointed in accordance with the Trust Deed).

## BACKGROUND

The Guarantor has agreed to enter into this guarantee for the purpose of providing credit support to the Trustee for the Issuer 's obligations under the Instrument.

## AGREED TERMS

### 1. Definitions and interpretation

#### Definitions

The following definitions apply in this guarantee.

- Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business
- Finance Documents:** the Instrument and the Security Trust Deed.
- Guaranteed Obligations:** all present and future payment obligations and liabilities of the Issuer due, owing or incurred under the Instrument to the Bondholders (including, without limitation, under any amendment, supplement or restatement of the Instrument.
- Instrument:** a bond instrument executed by the Issuer as a deed poll on or about the date of this guarantee.
- Issuer:** PARDUS FIXED INCOME BOND COMPANY PLC, a company incorporated and registered in England and Wales with company number 11313361 whose registered office is at 80-83 Long Lane, London EC1A 9ET

<b>Bonds:</b>	bonds issued pursuant to the Instrument.
<b>Bondholders:</b>	holders from time to time of Bonds.
<b>Rights:</b>	any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.
<b>Security:</b>	a mortgage, charge, pledge, lien or other security interest securing any obligation of any person, or any other agreement having a similar effect.
<b>Tax:</b>	all forms of taxation and statutory, governmental, state, federal, provincial, local, government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and whether of the UK or any other jurisdiction and any penalty, fine, surcharge, interest, charges or costs relating to them.
<b>Trust Deed:</b>	a security trust deed between the Issuer and the Trustee dated on or about the date of this deed.
<b>Warranties:</b>	the representations and warranties set out in the Schedule 1.

#### Interpretation

In this guarantee:

- 1.1.1 clause and Schedule headings shall not affect the interpretation of this guarantee;
- 1.1.2 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person's personal representatives, successors, permitted assigns and permitted transferees;
- 1.1.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;

- 1.1.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.1.5 a reference to **Trustee** shall include the Trustee's successors, permitted assigns and permitted transferees;
- 1.1.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.1.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.1.8 a reference to **writing** or **written** includes fax but not e-mail;
- 1.1.9 a reference to **this guarantee** (or any provision of it) or to any other agreement or document referred to in this guarantee is a reference to this guarantee, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this guarantee) from time to time;
- 1.1.10 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this guarantee and a reference to a paragraph is to a paragraph of the relevant Schedule;
- 1.1.11 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.1.12 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- 1.1.13 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.1.14 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.1.15 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and

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

**2. Guarantee and indemnity**

2.1 In consideration of the Bondholders subscribing for or acquiring the Bonds, the Guarantor guarantees to the Trustee as trustee for the Bondholders, whenever the Issuer does not pay any of the Guaranteed Obligations when due, to pay on demand the Guaranteed Obligations.

2.2 The Guarantor as principal obligor and as a separate and independent obligation and liability from its obligations and liabilities under clause 2.1 agrees to indemnify and keep indemnified the Trustee as trustee for the Bondholders in full and on demand from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Trustee as trustee for the Bondholders arising out of, or in connection with, the Guaranteed Obligations not being recoverable for any reason or any failure of the Issuer to perform or discharge any of its obligations or liabilities in respect of the Guaranteed Obligations.

**3. Trustee protections**

3.1 This guarantee is and shall at all times be a continuing security and shall cover the ultimate balance from time to time owing to the Bondholders by the Issuer in respect of the Guaranteed Obligations.

3.2 The liability of the Guarantor under this guarantee shall not be reduced, discharged or otherwise adversely affected by:

3.2.1 any intermediate payment, settlement of account or discharge in whole or in part of the Guaranteed Obligations;

3.2.2 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Trustee may now or after the date of this guarantee have from or against any of the Issuer and any other person in connection with the Guaranteed Obligations;

3.2.3 any act or omission by the Trustee or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Issuer or any other person;

- 3.2.4 any termination, amendment, variation, novation, replacement or supplement of or to any of the Guaranteed Obligations including without limitation any change in the purpose of, any increase in or extension of the Guaranteed Obligations and any addition of new Guaranteed Obligations;
  - 3.2.5 any grant of time, indulgence, waiver or concession to the Issuer or any other person;
  - 3.2.6 any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Issuer, Trustee, or any other person;
  - 3.2.7 any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Issuer or any other person in connection with the Guaranteed Obligations;
  - 3.2.8 any claim or enforcement of payment from the Issuer or any other person; or
  - 3.2.9 any act or omission which would not have discharged or affected the liability of the Guarantor had it been a principal debtor instead of a guarantor; or
  - 3.2.10 any other act or omission except an express written release by deed of the Guarantor by the Trustee.
- 3.3 The Trustee shall not be obliged, before taking steps to enforce any of its rights and remedies under this Guarantee, to:
- 3.3.1 take any action or obtain judgment in any court against the Issuer or any other person;
  - 3.3.2 make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Issuer or any other person; or
  - 3.3.3 make, demand, enforce or seek to enforce any claim, right or remedy against the Issuer or any other person.
- 3.4 The Guarantor warrants to the Trustee that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Issuer, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Guarantor under this guarantee but:

- 3.4.1 if any of the Rights is taken, exercised or received by the Guarantor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Guarantor on trust for the Trustee for application in or towards the discharge of the Guaranteed Obligations under this guarantee; and
  - 3.4.2 on demand by the Trustee, the Guarantor shall promptly transfer, assign or pay to the Trustee all other Rights and all monies from time to time held on trust by the Guarantor under this clause 3.4.2.
- 3.5 This guarantee is in addition to and shall not affect nor be affected by or merge with any other judgment, Security, right or remedy obtained or held by the Trustee from time to time for the discharge and performance of the Issuer of the Guaranteed Obligations.
- 4. **Interest**
  - 4.1 The Guarantor shall pay interest to the Trustee after as well as before judgment at the default rate stipulated in the Instrument on all sums demanded under this guarantee from the date of demand by the Trustee or, if earlier, the date on which the relevant damages, losses, costs or expenses arose in respect of which the demand has been made, until, but excluding, the date of actual payment.
  - 4.2 Interest under clause 4.1 shall accrue on a day-to-day basis calculated by the Trustee on such terms as the Trustee may from time to time determine and shall be compounded on the last Business Day of each month.
  - 4.3 The Trustee shall not be entitled to recover any amount in respect of interest under both this guarantee and any arrangements entered into between the Issuer and the Trustee in respect of any failure by the Issuer to make any payment in respect of the Guaranteed Obligations.
- 5. **Costs**
  - 5.1 The Guarantor shall promptly on demand, pay to, or reimburse, the Trustee on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Trustee in connection with:
    - 5.1.1 any actual or proposed amendment, variation, supplement, waiver or consent under or in connection with this guarantee;
    - 5.1.2 any discharge or release of this guarantee;

- 5.1.3 the preservation, or exercise and enforcement, of any rights under or in connection with this guarantee or any attempt so to do; and
- 5.1.4 any stamping or registration of this guarantee.

**6. Representations and warranties**

The Guarantor represents and warrants that the Warranties are true and correct on the date of this guarantee.

**7. Discharge conditional**

- 7.1 Any release, discharge or settlement between the Guarantor and the Trustee in relation to this guarantee shall be conditional on no right, Security, disposition or payment to the Trustee by the Guarantor, the Issuer or any other person in respect of the Guaranteed Obligations being avoided, set aside or ordered to be refunded under any enactment or law relating to breach of duty by any person, bankruptcy, liquidation, administration, protection from creditors generally or insolvency or for any other reason.
- 7.2 If any right, Security, disposition or payment referred to in clause 7.1 is avoided, set aside or ordered to be refunded, the Trustee shall be entitled subsequently to enforce this guarantee against the Guarantor as if such release, discharge or settlement had not occurred and any such right, Security, disposition or payment had not been given or made.

**8. Payments**

- 8.1 All sums payable by the Guarantor under this guarantee shall be paid in full to the Trustee in the currency in which the Guaranteed Obligations are payable:
  - 8.1.1 without any set-off, condition or counterclaim whatsoever; and
  - 8.1.2 free and clear of any deductions or withholdings whatsoever except as may be required by law or regulation which is binding on the Guarantor.
- 8.2 If any deduction or withholding is required by any law or regulation to be made by the Guarantor, the amount of the payment due from the Guarantor shall be increased to an amount which (after making any deduction or withholding) leaves an amount equal to the payment which would have been due if no deduction or withholding had been required.
- 8.3 The Guarantor shall promptly deliver or procure delivery to the Trustee of all receipts issued to it evidencing each deduction or withholding which it has made.

8.4 The Guarantor shall not and may not direct the application by the Trustee of any sums received by the Trustee from the Guarantor under any of the terms of this guarantee.

9. **Transfer**

9.1 This guarantee is freely assignable or transferable by the Trustee.

9.2 The Guarantor may not assign any of its rights and may not transfer any of its obligations under this guarantee or enter into any transaction which would result in any of those rights or obligations passing to another person.

10. **Trustee's right of set-off**

10.1 The Trustee may at any time set off any liability of the Guarantor to the Trustee against any liability of the Trustee to the Guarantor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this guarantee. If the liabilities to be set off are expressed in different currencies, the Trustee may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Trustee of its rights under this clause 10.1 shall not limit or affect any other rights or remedies available to it under this guarantee or otherwise.

10.2 The Trustee is not obliged to exercise its rights under clause 10.1. If, however, it does exercise those rights it must promptly notify the Guarantor of the set-off that has been made.

11. **Evidence of amounts and certificates**

Any certificate, determination or notification by the Trustee as to a rate or any amount payable under this guarantee is (in the absence of manifest error) conclusive evidence of the matter to which it relates and shall contain reasonable details of the basis of determination.

12. **Remedies, waivers, amendments and consents**

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

12.2 A waiver of any right or remedy under this guarantee or by law, or any consent given under this guarantee, is only effective if given in writing and signed by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

12.3 A failure or delay by a party to exercise any right or remedy provided under this guarantee or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this guarantee. No single or partial exercise of any right or remedy provided under this guarantee or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this guarantee by the Trustee shall be effective unless it is in writing and signed.

12.4 The rights and remedies provided under this guarantee are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

13. **Severance**

If any provision (or part of a provision) of this guarantee is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this guarantee.

14. **Third party rights**

14.1 A person who is not a party to this guarantee shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this guarantee. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

14.2 The rights of the parties to rescind, terminate or agree any amendment or waiver under this guarantee are not subject to the consent of any other person.

15. **Counterparts**

15.1 This deed may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

15.2 Transmission of an executed counterpart of this guarantee (but for the avoidance of doubt not just a signature page) by fax or e-mail (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this guarantee. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.

15.3 No counterpart shall be effective until each party has executed at least one counterpart.

16. **Notices**

16.1 A notice given to a party under or in connection with this agreement shall be in writing and sent to the party at the address or DX number or to the fax number given in this agreement or as otherwise notified in writing to the other party.

16.2 The following table sets out methods by which a notice may be sent and, if sent by that method, the corresponding deemed delivery date and time:

<b>Delivery method</b>	<b>Deemed delivery date and time</b>
Delivery by hand.	On signature of a delivery receipt or at the time the notice is left at the address.
Pre-paid first class post or other next working day delivery service providing proof of postage.	9.00 am on the second Business Day after posting or at the time recorded by the delivery service.
Pre-paid airmail providing proof of postage.	9.00 am on the fifth Business Day after posting or at the time recorded by the delivery service.
Fax.	At the time of transmission.
Document exchange (DX).	9.00 am on the second Business Day after being put into the DX.

16.3 For the purpose of clause 16.2 and calculating deemed receipt:

16.3.1 all references to time are to local time in the place of deemed receipt;  
and

16.3.2 if deemed receipt would occur in the place of deemed receipt on a Saturday or Sunday or a public holiday when banks are not open for business, deemed receipt is deemed to take place at 9.00 am on the day when business next starts in the place of receipt.

16.4 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

16.5 A notice given under this agreement is not valid if sent by email.

17. **Governing law**

17.1 This guarantee and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by, and construed in accordance with, the law of England and Wales.

17.2 The Guarantor irrevocably consents to any process in any proceedings under clause 18 being served on it in accordance with the provisions of this guarantee relating to service of notices. Nothing contained in this guarantee shall affect the right to serve process in any other manner permitted by law.

18. **Jurisdiction**

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this guarantee or its subject matter or formation. Nothing in this clause shall limit the right of the Trustee to take proceedings against the Guarantor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

## SCHEDULE 1

## REPRESENTATIONS AND WARRANTIES

### 1. Due incorporation

The Guarantor:

1.1.1 is a duly incorporated limited liability company validly existing under the law of its jurisdiction of incorporation; and

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

### 2. Powers

The Guarantor has the power to execute, deliver and perform its obligations under this guarantee and the transactions contemplated by them.

### 3. Non-contravention

The execution, delivery and performance of the obligations in, and transactions contemplated by, this guarantee does not and will not contravene any of the Guarantor's constitutional documents, any agreement or instrument binding on the Guarantor or its assets, or any applicable law or regulation.

### 4. Authorisations

The Guarantor has taken all necessary action and obtained all required or desirable consents to enable it to execute, deliver and perform its obligations under this guarantee and to make this guarantee admissible in evidence in its jurisdiction of incorporation. Any such authorisations are in full force and effect.

### 5. Binding obligations

The Guarantor's obligations under this guarantee are, subject to any general principles of law limiting obligations, legal, valid, binding and enforceable.

### 6. Litigation

No litigation, arbitration or administrative proceedings are taking place, pending or, to the Guarantor's knowledge, threatened against it or any of its assets.

### 7. Assets not immune to action

None of the Guarantor's assets is entitled to immunity on any grounds from any legal action or proceeding (including, without limitation, suit, attachment prior to judgment, execution or other enforcement).

8. No default

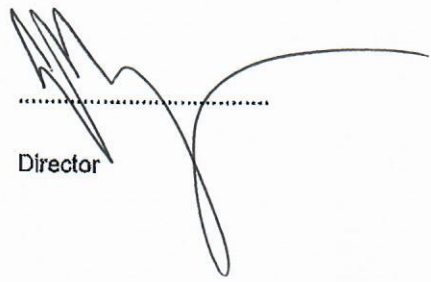
No event or circumstance is outstanding which constitutes a default under any deed or instrument which is binding on the Guarantor, or to which its assets are subject, which might have a material adverse effect on the Guarantor's ability to perform its obligations under this guarantee.

9. Ranking of obligations

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

10. Governing law

The choice of English law as the governing law of this guarantee will be recognised and enforced in the Guarantor's jurisdiction of incorporation and any judgment obtained in England in relation to this guarantee will be recognised and enforced in that jurisdiction.



Executed as a deed by GRMA-PARDUS Director  
WELATH LIMITED acting by GREGORY  
ROBERT BRYCE, a director

In the presence of:



Witness name: HANNA-LI ROOS

Witness address: FLAT 2, 3 THE PARAGON, BLACKHEATH, SE3 0NX

Witness occupation: ANALYST (FINANCIAL INVESTMENTS)



Executed as a deed by WOODSIDE Director  
CORPORATE SERVICES LIMITED acting  
by ANNA LONG, a director

In the presence of:



Witness name:

REBECCA OLVEY

Witness address:

50 MARK LANE, LONDON, EC3R 7QR

Witness occupation:

COMPLIANCE ASSISTANT