

**DATED**

5/12/2025

**SIGDATE**

**SEVEN STARS LEGAL USD SERIES 1 17.5% DECEMBER 2028**

constituting

**UP TO \$8,000,000 17.5% FIXED RATE BONDS**

by

**SEVEN STARS LEGAL LTD**

## CONTENTS

---

### CLAUSE

1.	Definitions and interpretation.....	4
2.	Amount of Bonds .....	7
3.	Description of Bonds.....	7
4.	Status of Bonds.....	7
5.	Repayment of Bonds .....	8
6.	Interest on Bonds.....	8
7.	Certificates .....	9
8.	Register.....	9
9.	Default.....	10
10.	Acceleration .....	11
11.	Appointment of the Security Trustee.....	11
12.	Security.....	12
13.	No set-off.....	12
14.	Meetings of Bondholders .....	12
15.	Enforcement .....	12
16.	Intercreditor Deed.....	13
17.	Modification .....	13
18.	New Bonds .....	13
19.	Governing law and jurisdiction .....	14

### SCHEDULE

SCHEDULE 1	FORM OF BOND.....	15
SCHEDULE 2	THE CONDITIONS .....	17
1.	Repayment.....	17
2.	Voluntary early repayment .....	17
3.	Cancellation.....	18
4.	Payment of interest.....	18
5.	Notices.....	19
SCHEDULE 3	PROVISIONS AS TO REGISTRATION, TRANSFER AND OTHER MATTERS .....	20
1.	Recognition of Bondholder as absolute owner .....	20
2.	Transferability of Bonds.....	20
3.	Execution of transfers .....	20
4.	Registration of transfers .....	20
5.	fees for registration of transfers .....	21
6.	Recognition of personal representatives .....	21
7.	Transmission of Bonds .....	21
8.	Payment of interest and principal .....	21
9.	Receipt of joint holders .....	22
10.	Replacement of certificates .....	22
11.	Notice of Bondholders.....	22
12.	Notice to the company.....	22

13.	Service of notices .....	23
SCHEDULE 4 PROVISIONS FOR MEETINGS OF BONDHOLDERS .....		24
1.	Calling of meetings .....	24
2.	Notice of meetings.....	24
3.	Chairman of meetings .....	24
4.	Quorum at meetings .....	24
5.	Absence of quorum .....	24
6.	Adjournment of meetings .....	25
7.	Notice of adjourned meetings.....	25
8.	Resolution on show of hands.....	25
9.	Demand for poll.....	25
10.	Manner of taking poll .....	25
11.	Time for taking poll.....	25
12.	Persons entitled to vote.....	26
13.	Instrument appointing proxy .....	26
14.	Deposit of instrument appointing proxy .....	26
15.	Votes.....	26
16.	Power of meetings of Bondholders .....	27
17.	Special Resolution binding on all Bondholders.....	28
18.	Resolutions in writing .....	28
19.	Minutes of meetings .....	28
SCHEDULE 5 SECURITY TRUST DEED .....		29

THIS DEED is dated 5/12/2025 **SIGDATE**

## **PARTIES**

- (1) **SEVEN STARS LEGAL LTD**, a company registered under the laws of England and Wales with company number 14229552, having its registered office at 1 Charterhouse Mews, London, England, EC1M 6BB (**Company**);
- (2) **VERDANT TRUSTEES LTD**, a company registered under the laws of England and Wales with company number 15560079 whose registered office is 128 City Road, London, United Kingdom, EC1V 2NX acting as security trustee for and on behalf of the Bondholders (**Security Trustee**).

## **BACKGROUND**

The Company has, by resolution of its board of directors passed on 30/04/2025, resolved to create the Seven Stars Legal USD Series 1 17.5% December 2028 constituting up to a maximum nominal amount of \$8,000,000 fixed-interest rate Bonds, in the manner set out in this instrument.

## **AGREED TERMS**

### **1. DEFINITIONS AND INTERPRETATION**

1.1 The definitions and rules of interpretation in this clause apply in this instrument.

**Bond Security:** a debenture from the Company together with such other documents as the Company and the Security Trustee may from time to time agree.

**Bond Term:** the period of time between the date of subscription by a Bondholder and the Repayment Date.

**Bonds:** up to \$8,000,000 17.5% fixed rate bonds constituted by this instrument or, as the case may be, the amount of such bonds for the time being issued and outstanding of the series described as Seven Stars Legal USD Series 1 17.5% December 2028.

**Bondholder:** each person for the time being entered in the Register as a holder of any Bonds.

**Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

**Conditions:** the conditions set out in Schedule 2 as from time to time amended and **Condition** shall be construed accordingly.

**Directors:** the board of directors of the Company for the time being.

**Event of Default:** any of those events specified in clause 9.

**Group:** the Company and any subsidiary from time to time, of the Company (and the expression **member of the Group** shall be construed accordingly).

**Intercreditor Deed:** an intercreditor deed entered into on or around the date hereof between the Company and the Security Trustee.

**Interest Period:** each 6-month period ending on 30 June and 31 December in each year during which interest is accrued.

**Register:** the register of Bondholders kept and maintained by the Company in accordance with clause 8.

**Repayment Date:** 31 December 2028 (or, if that day is not a Business Day, the next Business Day).

**Security Trust Deed:** the security trust deed to be entered into between (1) the Security Trustee on behalf of the Bondholders from time to time; and (2) the Company, on or around the date of this instrument as set out in Schedule 5.

**Special Resolution:** a resolution passed at a meeting of the Bondholders duly convened and held in accordance with the provisions of this instrument and carried by a majority consisting of not less than 75% of the persons voting at such meeting on a show of hands or, if a poll is demanded, by a majority consisting of not less than 75% of the votes given on such poll.

**Transaction Documents:** this instrument, the Intercreditor Deed, the Bond Security and the Security Trust Deed.

**Trust Property:** all assets, property, rights and revenues from time to time subject to the Bond Security.

1.2 Any reference in this instrument to:

- (a) the **assets** of any person shall be construed as a reference to all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;
- (b) an **encumbrance** shall be construed as a reference to a mortgage, charge, assignment, pledge, lien (save as arising in the ordinary course of business), hypothecation, right of set-off (save as arising under the general law for the protection of certain classes of creditors) or trust arrangement for the purpose of and having a similar effect to the granting of security, or other security interest of any kind;
- (c) **indebtedness** shall be construed as a reference to any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;
- (d) this **instrument** or to any other instrument, agreement or document shall, unless the context otherwise requires, be construed as reference to this instrument or such other instrument, agreement or document as the same may from time to time be amended, varied, supplemented or novated, in each case, in accordance with its terms;
- (e) a **month** shall be construed as a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next

calendar month save that, where any such period would otherwise end on a day that is not a Business Day, it shall end on the next Business Day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding Business Day provided that, if a period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that later month;

- (f) a **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- (g) **repayment** includes redemption and vice versa and the words **repay, redeem, repayable, redeemed** and **repaid** shall be construed accordingly;
- (h) a reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the England and Wales Companies Act 2006.
- (i) **tax** shall be construed so as to include any present and future tax, levy, impost, deduction, withholding, duty or other charge of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
- (j) the **winding-up, dissolution or administration** of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or of any jurisdiction in which such person carries on business; and
- (k) **\$ and US Dollars** denotes the lawful currency of the United States of America.

1.3 References to any statute or statutory provision:

- (a) shall be construed as a reference to it as amended, extended or re-enacted from time to time.
- (b) shall include all subordinate legislation made from time to time under that statute or statutory provision.

1.4 In construing this instrument, general words introduced by the word **other** shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words followed by the word **including** shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

1.5 In this instrument, unless the context otherwise requires:

- (a) words in the singular shall include the plural and in the plural shall include the singular; and

(b) a reference to one gender shall include a reference to all other genders.

- 1.6 All the provisions of this instrument are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.
- 1.7 References to the **Bonds** include references to all and/or any of the Bonds created under this instrument.
- 1.8 Clause, Schedule and paragraph headings shall not affect the interpretation of this instrument.
- 1.9 References to clauses and Schedules are to the clauses of and Schedules to this instrument and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.10 The Schedules (including, for avoidance of doubt, the Conditions) form part of this instrument and shall have effect as if set out in full in the body of this instrument. Any reference to this instrument includes the Schedules.

## **2. AMOUNT OF BONDS**

- 2.1 Subject to clause 2.2, the principal amount of the Bonds is limited to \$8,000,000.
- 2.2 With the consent of the Security Trustee, such consent not to be unreasonably withheld or delayed, the Company may from time to time constitute bonds in excess of the limit referred to at clause 2.1 of this instrument. If the Company does so, such bonds shall, for the avoidance of doubt, be classed as “Bonds” for all purposes and any references to “Bond” or “Bonds” throughout this instrument shall include any bonds constituted under this clause 2.2 if applicable.

## **3. DESCRIPTION OF BONDS**

The Bonds shall be known as Seven Stars Legal USD Series 1 17.5% December 2028 and shall be issued in integral multiples \$1 by the Company.

## **4. STATUS OF BONDS**

- 4.1 The whole of the Bonds when issued shall rank as a secured obligation of the Company for the due and punctual payment of the principal and interest in respect of them and

performance of all the obligations of the Company with respect to them, subject always to the provisions of the Intercreditor Deed.

4.2 The Bonds when issued shall rank pari passu equally and rateably without discrimination or preference among themselves, subject always to the provisions of the Intercreditor Deed.

4.3 The Bonds when issued shall rank pari passu equally and rateably without discrimination or preference among other series of bonds issued by the Company from time to time, subject always to the provisions of the Intercreditor Deed.

**5. REPAYMENT OF BONDS**

5.1 When the Bonds become payable in accordance with the provisions of this instrument, the Company shall pay to the Bondholders the full principal amount of the Bonds to be repaid together with any accrued interest on such Bonds (less any tax which the Company is required by law to deduct or withhold from such payment) up to and including the date of payment.

5.2 All payments under this instrument, whether of principal, interest or otherwise, shall be made by the Company to the Bondholders entitled to such payments as provided in paragraph 8 of Schedule 3.

5.3 Where any payment to a Bondholder, whether of principal, interest or otherwise, is due in accordance with the terms of this instrument on a day that is not a Business Day, payment shall take place on the next succeeding Business Day. If that next succeeding Business Day is in the month following the month in which payment would otherwise be made, payment shall take place on the immediately preceding Business Day.

5.4 All payments made by the Company to a Bondholder under this instrument shall be made in the same currency in which payment was made to the Company for the relevant Bond or Bonds.

5.5 Any payment of the Bonds under this instrument shall be subject to the terms of the Intercreditor Deed.

**6. INTEREST ON BONDS**

Until the Bonds are repaid in accordance with the provisions of this instrument, interest shall be paid in accordance with the provisions of Schedule 2 and be paid on the principal amount of the Bonds which are outstanding at the rate and in the manner set out in the Conditions.

## **7. CERTIFICATES**

7.1 Following receipt and acceptance by the Company of:

- (a) a signed application form; and
- (b) the payment for the Bond;

a certificate as described below shall be issued to the Bondholder on the date the Bond Security is registered and shall:

- (c) bear a denoting number;
- (d) be issued to a Bondholder in the form (or substantially in the form) set out in Schedule 1 and shall be executed by the Company in accordance with the England and Wales Companies Act 2006; and
- (e) have the Conditions endorsed on or attached to it.

7.2 Each Bondholder shall be entitled to receive without charge one certificate for the Bonds registered in his name.

7.3 The Company shall not be bound to register more than four persons as the joint holders of any Bonds and, in the case of Bonds held jointly by several persons, the Company shall not be bound to issue more than one certificate. Delivery of a certificate to the person who is first named in the Register as Bondholder shall be sufficient delivery to all joint holders of the Bonds in respect of which such certificate has been delivered.

7.4 When a Bondholder transfers or redeems part only of his Bonds, the old certificate shall be cancelled and a new certificate for the balance of such Bonds shall be issued without charge.

## **8. REGISTER**

8.1 The Company shall, at all times, keep a Register at its registered office (or at such other place as the Company may from time to time have appointed for the purpose and have notified to the Bondholders).

8.2 The Register shall contain the following details:

- (a) the names and addresses of the Bondholders for the time being;
- (b) the principal amount of the Bonds held by each Bondholder;
- (c) the date at which the name of each Bondholder is entered in respect of the Bonds registered in his name;
- (d) the date of issue of each Bond; and

- (e) all transfers and changes of ownership of the Bonds.

8.3 Any change of name or address by any Bondholder that is notified to the Company at its registered office address above shall be entered in the Register.

8.4 Any Bondholder may at all reasonable times during office hours and on reasonable notice inspect, and take copies of, the Register.

## 9. **DEFAULT**

The following are Events of Default:

- (a) **Non-payment:** The Company fails to pay any principal or interest on any of the Bonds within 28 Business Days after the due date for payment thereof;
- (b) **Breach of undertaking:** The Company fails duly to perform or comply with any obligation (other than an obligation to pay principal or interest in respect of the Bonds) expressed to be assumed by it in this instrument and such failure continues for 14 Business Days after written notice has been given by any Bondholder requiring remedy thereof;
- (c) **Cross-default:** Any indebtedness of the Company or any member of the Group is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of the Company or any member of the Group becomes entitled to declare any such indebtedness due and payable prior to its specified maturity;
- (d) **Insolvency:** The Company or any member of the Group is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts (as defined in section 123 of the England and Wales Insolvency Act 1986), stops, suspends or threatens to stop or suspend payment of all or any material part of its indebtedness or commences negotiations with any one or more of its creditors with a view to the general readjustment or re-scheduling of all or any material part of its indebtedness or makes a general assignment for the benefit of, or composition with, any of its creditors (or any class of its creditors) or a moratorium is agreed or declared in respect of, or affecting, all or a material part of its indebtedness;
- (e) **Enforcement proceedings:** A distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any part of the assets of the Company or any member of the Group and is not discharged or stayed within 10 days;
- (f) **Winding-up:** The Company or any member of the Group takes any corporate action or other steps are taken or legal or other proceedings are started for its winding-up, dissolution or re-organisation (other than for the purposes of a bona fide, solvent scheme of reconstruction or amalgamation previously approved by

Special Resolution) or for the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or of any or all of its assets;

- (g) **Analogous proceedings:** Anything analogous to or having a substantially similar effect to any of the events specified in clause 9(d) to clause 9(f) inclusive shall occur under the laws of any applicable jurisdiction;
- (h) **Encumbrance enforceable:** Any encumbrance on or over the assets of the Company or any member of the Group becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar person) is taken to enforce that encumbrance;
- (i) **Cessation of business:** The Company or any member of the Group ceases to carry on the business it carries on at the date of the issue of the Bonds or a substantial part thereof; and
- (j) **Illegality:** It is or becomes or will become unlawful for the Company to perform or comply with any of its obligations under this instrument, or any such obligation is not or ceases to be legal, valid and binding.

## 10. ACCELERATION

If, at any time and for any reason, any Event of Default has occurred, the Bondholders may by Special Resolution or by written notice to the Company from Bondholders holding more than 75% in nominal value of the Bonds then issued and outstanding, at any time while such Event of Default remains unremedied and has not been waived by a Special Resolution, direct that the principal amount of all Bonds, all unpaid accrued interest and any other sum then payable on such Bonds shall become due and payable immediately, subject always to the provisions of the Intercreditor Deed. If the Bondholders give such a direction under this clause, then the principal amount of all Bonds, all unpaid accrued interest and any other sum then payable on such Bonds (in each case less any applicable taxes) shall be immediately due and payable by the Company and the Company shall immediately pay or repay such amounts to the Bondholders, subject always to the provisions of the Intercreditor Deed.

## 11. APPOINTMENT OF THE SECURITY TRUSTEE

- 11.1 By subscribing for Bonds each Bondholder (in respect of itself and any successor(s) in title and assigns) appoints the Security Trustee to act as its trustee under and in relation to the Bond Security pursuant to this instrument and to hold the Trust Property as trustee for the Bondholders on the trusts and other terms contained in the Transaction Documents.
- 11.2 Each Bondholder shall be deemed to have irrevocably authorised the Security Trustee to exercise such rights, powers and discretions as are specifically delegated to the Security

Trustee by the terms of the Transaction Documents together with all such rights, powers and discretions as are reasonably incidental thereto.

- 11.3 The Security Trustee shall be subject to the conditions set out in the Security Trust Deed and shall have the benefit of the provisions of the Security Trust Deed (and any and all Bondholders consent to that benefit by virtue of subscribing for or accepting Bonds).

## **12. SECURITY**

- 12.1 The Bonds will be secured by the Bond Security which shall be registered by the Security Trustee and which shall be held by the Security Trustee as security for the Bondholders.

- 12.2 The Company may only issue further bonds which will rank pari passu with the Bonds (**Further Bonds**) with the consent of the Security Trustee (such consent not to be unreasonably withheld or delayed) and in such case, the Security Trustee will hold the Bond Security for and on behalf of the Bondholders and the holders of the Further Bonds (**Further Bondholders**) on a pari passu basis as between the Bondholders and the Further Bondholders.

## **13. NO SET-OFF**

Payments of principal and interest under this instrument shall be paid by the Company to the Bondholders, and the Bonds shall be transferable in accordance with the provisions of Schedule 3, without any deduction or withholding (whether in respect of any set-off, counterclaim or otherwise whatsoever) unless the deduction or withholding is required by law.

## **14. MEETINGS OF BONDHOLDERS**

The provisions for meetings of the Bondholders set out in Schedule 4 shall be deemed to be incorporated in this instrument and shall be binding on the Company and the Bondholders and on all persons claiming through or under them respectively.

## **15. ENFORCEMENT**

- 15.1 From and after the date of this instrument and so long as any amount is payable by the Company in respect of the Bonds, the Company undertakes that it shall duly perform and observe the obligations on its part contained in this instrument and the Intercreditor Deed.

- 15.2 The Bonds shall be held subject to and with the benefit of the provisions of this instrument, the Conditions, the Schedules (all of which shall be deemed to be incorporated in this

instrument) and the Intercreditor Deed. All such provisions shall be binding on the Company and the Bondholders and all persons claiming through or under them respectively, and shall ensure for the benefit of all Bondholders, their personal representatives, successors and permitted assigns.

15.3 Except as expressly provided in clause 15.4, a person who is not a party to this instrument shall not have any rights under the England and Wales Contracts (Rights of Third Parties) Act 1999 to enforce any term of this instrument.

15.4 This instrument and the Bonds are enforceable under the England and Wales Contracts (Rights of Third Parties) Act 1999 by each Bondholder.

**16. INTERCREDITOR DEED**

Notwithstanding anything contained herein to the contrary, this instrument and the exercise of any right or remedy by or the obligations of the Bondholder(s) and/or the Security Trustee and/or the Company under this instrument, the Security Trust Deed and the Bond Security are expressly subject to the provisions of the Intercreditor Deed. In the event of any conflict between the terms of this instrument, the Bond Security, the Security Trust Deed and the terms of the Intercreditor Deed, the terms of the Intercreditor Deed shall prevail.

**17. MODIFICATION**

The provisions of this instrument and the Conditions and the rights of the Bondholders may from time to time be modified, abrogated or compromised in any respect (including in any manner set out in paragraph 16.1 of Schedule 4) with the sanction of a Special Resolution and with the consent of the Company (subject always to the provisions of the Intercreditor Deed).

**18. NEW BONDS**

The Company may from time to time constitute and issue bonds pursuant to other deeds which are executed by the Company at any time or times in the future provided that the Company has obtained the prior written consent of the Security Trustee (such consent not to be unreasonably withheld or delayed) prior to each issue of such other bonds but the issue of such other bonds shall not require the consent of the Bondholders pursuant to any Transaction Document if the holders of such other bonds are only entitled to participate in the assets of the Company on a basis which is pari passu with the Bondholders of any series of Bonds issued pursuant to this instrument as if such other bonds were a series of bonds issued pursuant to this instrument.

**19. GOVERNING LAW AND JURISDICTION**

19.1 This instrument and the Bonds and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.

19.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this instrument or any Bond or their subject matter or formation (including non-contractual disputes or claims).

This instrument has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

**Schedule 1 Form of Bond**

**Certificate No. [NUMBER]**

**Date of Issue [DATE]**

**Amount [NUMBER]**

**Seven Stars Legal Ltd**

**Seven Stars Legal USD Series 1 17.5% December 2028**

**BOND**

Created and issued pursuant to a resolution of the board of directors of the Company passed on [DATE].

**THIS IS TO CERTIFY THAT** [NAME OF BONDHOLDER] is the registered holder of \$[AMOUNT ] of the Seven Stars Legal USD Series 1 17.5% December 2028 constituted by an instrument entered into by the Company on [DATE] (**Instrument**). Such Bonds are issued with the benefit of and subject to the provisions contained in the Instrument and the Conditions endorsed hereon.

1. The Bonds are repayable in accordance with Condition 1.
2. This Certificate must be surrendered before any transfer, whether of the whole or any part of the Bonds comprised in it, can be registered or any new certificate issued in exchange.
3. Any change of address of the Bondholder(s) must be notified in writing signed by the Bondholder(s) to the Company at its registered office from time to time.
4. The Bonds are transferable in accordance with the terms of the Conditions and the Instrument and held subject to the terms of the Security Trust Deed and the Intercreditor Deed.
5. Words and expressions defined in the Instrument shall bear the same meaning in this Certificate and in the Conditions endorsed hereon.
6. The Bonds and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.
7. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Bonds or their subject matter or formation (including non-contractual disputes or claims).
8. A copy of the Instrument is available for inspection at the registered office of the Company.

Executed as a deed by Seven Stars

Legal Ltd acting

.....

by a director in the presence of:

Director

Dated: [INSERT DATE]

Witness Name

.....

Address

.....

.....

Occupation

.....

## **Schedule 2 The Conditions**

### **1. REPAYMENT**

- 1.1 The Bonds will become payable on the Repayment Date which shall be the first day after the end of the Bond Term save that the Company and the Bondholder may at any time agree in writing to extend the Bond Term, in which case the Repayment Date shall be either (a) a specific date agreed between the parties or (b) any date on which the Bonds become automatically payable following their redemption or surrender.
- 1.2 Subject to this Condition 1, and Conditions 2 and 3 of this Schedule, on the Repayment Date, the Company shall repay the principal amount of Bonds then outstanding to the Bondholders, together with accrued and unpaid interest (less any tax required by law to be deducted or withheld from such payment) accrued on the Bonds up to (and including) the date of such repayment by the Company.
- 1.3 All payments made by the Company to a Bondholder shall be made in the same currency in which payment was made to the Company for the relevant Bond or Bonds.
- 1.4 Any payment of the Bonds under the provisions of this Condition 1 shall be subject to the terms of the Intercreditor Deed.

### **2. VOLUNTARY EARLY REPAYMENT**

- 2.1 The Company may at any time, by giving the Bondholders not less than five days' written notice, repay the principal amount of all or a portion of the Bonds on the date specified in such notice.
- 2.2 The Company shall also pay to the Bondholders all unpaid interest accrued on the Bonds to be redeemed up to and including the date of such redemption (in each case less any taxes required by law to be deducted or withheld from such payments).
- 2.3 Any payment made under the provisions of Condition 2.1 shall be treated as reducing the amount of the repayments under Condition 1.1 proportionately.
- 2.4 Any redemption of the Bonds under the provisions of this Condition 2 shall be made pro rata to the holdings of all Bondholders.
- 2.5 Any redemption of the Bonds under the provisions of Condition 2.1 shall be subject to the terms of the Intercreditor Deed.

**3. CANCELLATION**

All Bonds repaid, prepaid or purchased by the Company shall be cancelled and the Company shall not reissue the same.

**4. PAYMENT OF INTEREST**

4.1 Until the Bonds are repaid in accordance with these Conditions, interest on the principal amount of the Bonds outstanding from time to time shall accrue at 17.5% per annum.

4.2 Interest accrues daily from subscription and is to be paid within 30 days of the last day of each Interest Period.

4.3 The Company shall pay accrued interest in cash, in arrears to the persons who were registered as Bondholders at the close of business on the relevant Repayment Date.

4.4 Interest shall be calculated on the basis of the actual number of days elapsed in the relevant period and a 365 day year.

4.5 If the Company fails to pay any amount of interest or principal on any Bond when such amount is due, interest at the rate applicable under these Conditions plus 5% per annum shall accrue on the unpaid amount from the due date until the date of payment.

4.6 Interest on any Bonds repaid by the Company in accordance with these Conditions shall cease to accrue as from the date of such repayment.

4.7 Payment of interest on any Bonds repaid by the Company in accordance with these Conditions shall be subject to the provisions of the Intercreditor Deed.

**5. NOTICES**

Any Bondholder described in the Register as being at an address outside the United Kingdom but who shall from time to time give to the Company an address within the United Kingdom at which any notice may be served upon him shall be entitled to have notice served on him at such address. Save as otherwise provided in this Condition 6, no Bondholder other than a Bondholder described in the Register as being at an address within the United Kingdom shall be entitled to receive any notice.

### **Schedule 3 Provisions as to registration, transfer and other matters**

**1. RECOGNITION OF BONDHOLDER AS ABSOLUTE OWNER**

The Company shall recognise as absolute owner the registered holder of any Bonds. The Company shall not (except as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust (whether express, implied or constructive) to which any Bonds may be subject. The receipt of the registered holder for the time being of any Bonds or, in the case of joint registered holders, the receipt of any of them, for the principal payable in respect of such Bonds and for the interest from time to time accruing due in respect of such Bonds or for any other moneys payable in respect of such Bonds shall be a good discharge to the Company notwithstanding any notice it may have (whether express or otherwise) of the right, title, interest or claim of any other person to or in such Bonds, interest or moneys. The Company shall not be bound to enter any notice of any express, implied or constructive trust on the Register in respect of any Bonds.

**2. TRANSFERABILITY OF BONDS**

The Bonds are transferable by instrument in writing in the usual common form (or in such other form as the Directors of the Company may approve). There shall not be included in any instrument of transfer any Bonds other than the Bonds constituted by this instrument.

**3. EXECUTION OF TRANSFERS**

Every instrument of transfer shall be duly signed by or on behalf of the transferor and the transferor shall be deemed to remain the owner of the Bonds to be transferred until the transferee's name is entered in the Register in respect of such Bonds.

**4. REGISTRATION OF TRANSFERS**

Every instrument of transfer shall be left for registration at the address where the Register is maintained for the time being (as referred to in clause 8.1 of this instrument) accompanied by the Certificate(s) for the Bonds to be transferred, together with such other evidence as the Directors or other officers of the Company authorised to deal with the transfers may require to prove the title of the transferor or his right to transfer the Bonds and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so. All instruments of transfer which are registered shall be retained by the Company. No transfer shall be registered of Bonds in respect of which a notice of repayment has been given under Schedule 2, Condition 2 (Voluntary early repayment).

**5. FEES FOR REGISTRATION OF TRANSFERS**

A fee a of £250 shall be charged for the registration of any transfer or for the registration of any confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any Bonds or for making any entry in the Register relating to or affecting the title to any Bonds.

**6. RECOGNITION OF PERSONAL REPRESENTATIVES**

The executors or administrators of a deceased Bondholder (not being one of several joint registered holders) and in the case of the death of one or more of several joint registered holders the survivor or survivors of such joint registered holders, shall be the only person(s) recognised by the Company as having any title to such Bonds.

**7. TRANSMISSION OF BONDS**

Any person who becomes entitled to any of the Bonds as a result of the death or bankruptcy of any Bondholder, or of any other event giving rise to the transmission of such Bonds by operation of law may, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Condition or of his title as the Directors shall think sufficient, be registered himself as the holder of such Bonds or, subject to the preceding Conditions as to transfer, may transfer such Bonds. The Company may retain any payments paid upon any such Bonds which any person under this provision is entitled to, until such person is registered as the holder of such Bonds or has duly transferred the Bonds.

**8. PAYMENT OF INTEREST AND PRINCIPAL**

8.1 The payments of principal, interest or other sums payable in respect of the Bonds may be paid by:

- (a) electronic transfer in immediately available cleared funds on the due date for payment, to the account specified for the purpose by the Bondholder or joint Bondholders in writing to the Company; or
- (b) in the absence of such notification, by cheque, warrant or bankers' draft made payable to and sent to the registered address of the Bondholder or in the case of joint registered holders, made payable to the order of and sent to the registered address of that one of the joint registered holders who is first named on the Register or made payable to such person and sent to such address as the registered holder or all the joint registered holders may in writing direct.

8.2 Every such cheque, warrant or bankers' draft shall be sent on the due date for payment and may be sent through the post at the risk of the registered Bondholder or joint registered holders. Payment of the cheque, warrant or bankers' draft shall be a good discharge to the Company.

8.3 All payments of principal, interest or other moneys to be made by the Company shall be made after any deductions and/or withholdings for or on account of any present or future taxes required to be deducted or withheld from such payments.

**9. RECEIPT OF JOINT HOLDERS**

If several persons are entered in the Register as joint registered holders of any Bonds then without prejudice to the provisions of paragraph 8 the receipt of any one of such persons for any interest or principal or other moneys payable in respect of such Bonds shall be as effective a discharge to the Company as if the person signing such receipt were the sole registered holder of such Bonds.

**10. REPLACEMENT OF CERTIFICATES**

If the Certificate for any Bonds is lost, defaced or destroyed it may be renewed on such terms (if any) as to evidence and indemnity as the Directors may require. In the case of defacement the defaced Certificate shall be surrendered before the new Certificate is issued.

**11. NOTICE OF BONDHOLDERS**

Any notice or other document (including Certificates for Bonds) may be given or sent to any Bondholder by sending the same by post in a prepaid, first-class (by airmail, if to another country) letter addressed to such Bondholder at his registered address as detailed in the Register. In the case of joint registered holders of any Bonds a notice shall be given to both Bondholders Notice may be given to the persons entitled to any Bonds as a result of the death or bankruptcy of any Bondholder by sending the same by post in a prepaid, first-class envelope addressed to them by name or by the title of the representative or trustees of such Bondholder at the address (if any) supplied for the purpose by such persons or (until such address is supplied) by giving notice in the manner in which it would have been given if the death or bankruptcy had not occurred.

**12. NOTICE TO THE COMPANY**

Any notice or other document (including Certificates for Bonds and transfers of Bonds) may be given or sent to the Company by sending the same by post in a prepaid, first-class letter addressed to the Company at its registered office for the time being.

**13. SERVICE OF NOTICES**

Any notice, communication or document sent by post within the United Kingdom shall be deemed to have been delivered or received on the second Business Day following the day on which it was posted. Any notice, communication or document sent by post within Europe but outside the United Kingdom shall be deemed to have been delivered or received on the fifth Business Day following the day on which it was posted. Any notice, communication or document sent by post outside Europe shall be deemed to have been delivered or received on the tenth Business Day following the day on which it was posted. In proving such delivery or receipt it shall be sufficient to prove that the relevant notice, communication or document was properly addressed, stamped and posted (by airmail, if to another country) in the United Kingdom.

## **Schedule 4 Provisions for meetings of Bondholders**

### **1. CALLING OF MEETINGS**

The Company may at any time and shall on the request in writing signed by any registered holder of the Bonds for the time being outstanding convene a meeting of the Bondholders to be held at such place as the Company shall determine.

### **2. NOTICE OF MEETINGS**

At least 14 clear days' notice specifying the place, day and hour of the meeting shall be given to the Bondholders of any meeting of Bondholders in the manner provided in Schedule 3. Any such notice shall specify the general nature of the business to be transacted at the meeting thereby convened but, except in the case of a resolution to be proposed as a Special Resolution, it shall not be necessary to specify the terms of any resolutions to be proposed. The omission to give notice to any Bondholder shall invalidate any resolution passed at any such meeting.

### **3. CHAIRMAN OF MEETINGS**

A person nominated by the Company shall be entitled to take the chair at any such meeting and if no such nomination is made, or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting, the Bondholders present shall choose one of their number to be Chairman. The Directors and the Secretary and legal advisers of the Company and any other person authorised in that behalf by the Directors may attend at any such meeting.

### **4. QUORUM AT MEETINGS**

At any such meeting convened for any purpose, other than the passing of a Special Resolution, a person or persons holding or representing by proxy one-third in nominal value of the Bonds for the time being outstanding shall form a quorum for the transaction of business. At any meeting convened for the purpose of passing a Special Resolution persons holding or representing by proxy a clear majority in nominal value of the Bonds for the time being outstanding shall form a quorum. No business (other than the choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum is present at the commencement of the meeting.

### **5. ABSENCE OF QUORUM**

If within 30 minutes from the time appointed for any meeting of the Bondholders a quorum is not present the meeting shall, if convened upon the requisition of the Bondholders, be dissolved. In any other case, it shall stand adjourned to such day and time (being not less than 14 days and not more than 42 days thereafter) and to such place as may be appointed

by the Chairman and at such adjourned meeting two Bondholders present in person or by proxy and entitled to vote, whatever the principal amount of the Bonds held by them, shall form a quorum.

**6. ADJOURNMENT OF MEETINGS**

The Chairman may with the consent of (and shall if directed by) any such meeting, adjourn the same from time to time and from place to place. No business shall be transacted at any adjourned meeting other than business that might lawfully have been transacted at the meeting from which the adjournment took place.

**7. NOTICE OF ADJOURNED MEETINGS**

Notice of any adjourned meeting at which a Special Resolution is to be submitted shall be given in the manner provided for in this instrument.

**8. RESOLUTION ON SHOW OF HANDS**

Every question submitted to a meeting of Bondholders shall be decided in the first instance by a show of hands. In case of an equality of votes the Chairman shall not have a casting vote.

**9. DEMAND FOR POLL**

At any meeting of Bondholders, unless (before or on the declaration of the result of the show of hands) a poll is demanded by the Chairman or by one or more Bondholders present in person or by proxy, a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority shall be conclusive evidence of the fact.

**10. MANNER OF TAKING POLL**

If at any such meeting a poll is so demanded it shall be taken in such manner as the Chairman may direct. The result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

**11. TIME FOR TAKING POLL**

Any poll demanded at any such meeting shall be taken at the meeting without adjournment. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

**12. PERSONS ENTITLED TO VOTE**

The registered holders of any of the Bonds or, in the case of joint holders, any one of them shall be entitled to vote in respect thereof either in person or by proxy and in the latter case as if such joint holder were solely entitled to such Bonds. If more than one of such joint holders be present at any meeting either personally or by proxy the vote of the senior who tenders a vote (seniority being determined by the order in which the joint holders are named in the Register) shall be accepted to the exclusion of the votes of the other joint holders.

**13. INSTRUMENT APPOINTING PROXY**

Every instrument appointing a proxy shall be in writing, signed by the appointor or his attorney or, in the case of a corporation, under its common seal, or signed by its attorney or a duly authorised officer and shall be in such form as the Directors may approve. Such instrument of proxy shall, unless the contrary is stated thereon, be valid both for an adjournment of the meeting and for the meeting to which it relates and need not be witnessed. A person appointed to act as a proxy need not be a Bondholder.

**14. DEPOSIT OF INSTRUMENT APPOINTING PROXY**

The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority shall be deposited with the Company at the address where the Register is maintained for the time being (as referred to in clause 8.1 of this instrument) or at such other place as may be specified in the notice convening the meeting before the time appointed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in such instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy or of the authority under which the instrument of proxy is given or transfer of the Bonds in respect of which it is given unless previous intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the address where the Register is maintained for the time being (as referred to in clause 8.1 of this instrument). No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution.

**15. VOTES**

On a show of hands every Bondholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative (not being himself a Bondholder) or by proxy shall have one vote (provided that a proxy appointed by more than one member should only have one vote or, where the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those

members to vote against it, such proxy shall have one vote for and one vote against the resolution). On a poll every Bondholder shall have one vote for every \$1 in nominal amount of the Bonds of which he is the holder. A Bondholder (or a proxy or representative of a Bondholder) entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

**16. POWER OF MEETINGS OF BONDHOLDERS**

16.1 In addition to any other powers it may have, a meeting of the Bondholders may, by Special Resolution:

- (a) sanction any compromise or arrangement proposed to be made between the Company and the Bondholders;
- (b) sanction any abrogation, modification or compromise or any arrangement in respect of the rights of the Bondholders against the Company or its property whether such rights shall arise under this instrument or otherwise;
- (c) sanction any scheme for the reconstruction of the Company or for the amalgamation of the Company with any other company;
- (d) sanction any scheme or proposal for the sale or exchange of the Bonds for, or the conversion of the Bonds into, cash or shares, stock, debentures, debenture stock or other obligations or securities of the Company or any other company formed or to be formed, and for the appointment of a person with power on behalf of the Bondholders to execute an instrument of transfer of the Bonds held by them in favour of the person to or with whom the Bonds are to be sold or exchanged (as the case may be);
- (e) assent to any modification or abrogation of the provisions contained in this instrument that shall be proposed by the Company and authorise the Company to execute an instrument supplemental to this instrument embodying any such modification or abrogation; and
- (f) give any authority or sanction which under the provisions of this instrument is required to be given by Special Resolution.

16.2 No resolution that would increase any obligation of the Company under this instrument or postpone the due date for payment of any principal or interest in respect of any Bond without the consent of the Company shall be effective.

**17. SPECIAL RESOLUTION BINDING ON ALL BONDHOLDERS**

A Special Resolution, passed at a meeting of Bondholders duly convened and held in accordance with the provisions of this Schedule 4, shall be binding on all the Bondholders whether or not present at such meeting and each of the Bondholders shall be bound to give effect to such Special Resolution accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances justify the passing of such Special Resolution.

**18. RESOLUTIONS IN WRITING**

A resolution in writing signed by the holders of at least 75% in nominal value of the Bonds for the time being outstanding who are for the time being entitled to receive notice of meetings in accordance with the provisions contained in this instrument shall for all purposes be as valid and effectual as a Special Resolution. Such resolution in writing may be contained in one document or in several documents in like form each signed by one or more of the Bondholders.

**19. MINUTES OF MEETINGS**

Minutes of all resolutions and proceedings at every such meeting of the Bondholders shall be made and duly entered in books to be from time to time provided for that purpose by the Company. Any minutes which purport to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings held or by the Chairman of the next succeeding meeting of the Bondholders shall be conclusive evidence of the matters contained in such minutes. Unless the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly convened and held and all resolutions passed at such meetings to have been duly passed.

**Schedule 5 Security Trust Deed**

Pursuant to the terms of this instrument the Company and the Security Trustee have entered into the following Security Trust Deed dated on or around the date of this instrument:

**VERDANT TRUSTEES LTD (1)**  
**(as Security Trustee for and on behalf of the Beneficiaries)**

**- and -**

**SEVEN STARS LEGAL LTD (2)**

---

**SECURITY TRUST DEED**

---

**CONTENTS**

<b>CLAUSE</b>	<b>HEADING.....</b>	<b>PAGE</b>
1	DEFINITIONS AND INTERPRETATION .....	1
2	TRUST FOR BENEFICIARIES .....	4
3	THE TRUST PROPERTY .....	5
4	PERPETUITY PERIOD .....	5
5	WINDING UP OF TRUST.....	5
6	DUTIES OF THE SECURITY TRUSTEE.....	5
7	SPECIFIC DUTIES.....	5
8	DUTY TO ACT ON INSTRUCTIONS.....	6
9	DEFAULT PROCEDURE .....	7
10	ENFORCEMENT OF DEBENTURE .....	7
11	ACTIVITIES OF THE SECURITY TRUSTEE.....	8
12	POWERS ADDITIONAL.....	16
13	LIABILITY OF SECURITY TRUSTEE .....	17
14	REASONABLENESS OF BENEFICIARIES .....	17
15	RETIREMENT AND REMOVAL OF THE SECURITY TRUSTEE .....	17
16	REMUNERATION AND INDEMNIFICATION OF THE SECURITY TRUSTEE .....	18
17	RIGHTS CONTINUE IN FORCE .....	19
18	VAT .....	19
19	BENEFICIARIES' INSTRUCTIONS.....	19
20	BENEFIT OF THIS DEED .....	19
21	SUSPENSE ACCOUNT.....	19
22	NOTICES .....	19
23	WAIVER AND MISCELLANEOUS .....	20
24	INTERCREDITOR DEED .....	20

25	THIRD PARTY RIGHTS.....	20
26	GOVERNING LAW .....	21
27	COUNTERPARTS .....	21
28	JURISDICTION.....	21

**THIS SECURITY TRUST DEED** is made on

5/12/2025

**SIGDATE**

**BETWEEN**

- (1) **VERDANT TRUSTEES LTD**, incorporated and registered in England and Wales with company number 15560079 whose registered office is at 128 City Road, London, United Kingdom, EC1V 2NX as security trustee for and on behalf of the Beneficiaries (the "**Security Trustee**"), which expression includes, where the context permits, all persons for the time being the trustee or trustees under this Deed; and
- (2) **SEVEN STARS LEGAL LTD** incorporated and registered in England and Wales with company number 14229552 whose registered office is at 1 Charterhouse Mews, London, England, EC1M 6BB (the "**Company**").

**WHEREAS**

- (A) The Company has, by resolution of its board of directors, resolved to create secured Bonds which are to be constituted in the manner set out in the Bond Instruments.
- (B) Under the terms of a Debenture, the Company has provided security to the Security Trustee on behalf of the Beneficiaries for the Bonds issued under the Bond Instruments.
- (C) This Deed sets out the basis on which the Security Trustee has agreed to act as trustee under this Deed and to hold the benefit of the security constituted by or pursuant to the Debenture and the covenants and obligations of the Company under the Debenture on trust for the Beneficiaries.

**IT IS AGREED** as follows:

**1 DEFINITIONS AND INTERPRETATION**

1.1 Definitions

Terms defined in the Bond Instruments shall unless otherwise stated or defined in this Deed, have the same meaning as used in this Deed.

**"Beneficiaries"** means the Bondholders from time to time and the Security Trustee in relation to any rights granted to it under the Debenture and this Deed and "Beneficiary" means any of them. For the avoidance of doubt, the Beneficiaries shall include Bondholders under Bond Instruments issued by the Company from time to time after the date hereof with the consent of the Security Trustee (such consent not to be unreasonably withheld or delayed);

**"Bond"** means a bond of the series described as Seven Stars Legal USD Series 1 17.5% December 2028 and issued by the Company from time to time under the Bond Instruments;

**"Bondholder(s)"** means each person for the time being entered as a holder of any Bonds in the register of bondholders kept and maintained by the Company;

**"Debenture"** means the debenture made between the Company and the Security Trustee dated on or around the date of this Deed;

**"Instructing Group"** means the Bondholders forming a requisite quorum and majority under the terms and conditions of a Bond Instrument to be able to instruct the Security Trustee to act, or refrain from acting, in a certain manner;

**“Intercreditor Deed”** means an intercreditor deed entered into on or around the date hereof between the Company and the Security Trustee;

**“Bond Instruments”** means the Bond instruments made by the Company from time to time constituting up to \$8 million fixed rate secured Bonds secured by the Debenture;

**“Receiver”** means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property;

**“Relevant Jurisdiction”** at any time means (a) the United Kingdom, (b) any political subdivision of the United Kingdom, or any such other jurisdiction or (c) any jurisdiction of which the United Kingdom or any such political subdivision at such time forms a part;

**“Reserved Matters”** has the meaning set out in Schedule 1 (*Reserved Matters of the Security Trustee*);

**“Rights”** means all rights vested in the Security Trustee by virtue of, or pursuant to, its holding the interests conferred on it by the Debenture and all rights to make demands, bring proceedings or take any other action in respect thereof;

**“Secured Obligations”** means all indebtedness, liabilities and obligations of the Company whether actual or contingently, whether solely or jointly with any person, whether as principal or surety due, owing or incurred in any manner to any one or more of the Beneficiaries from time to time under the Debenture;

**“Security”** means the Debenture and any other mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;

**“Security Assets”** means all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, the Debenture (and references to the Secured Assets shall include references to any part of them);

**“Security Discharge Date”** means the date on which:

- (i) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (ii) the Company has no further commitment, obligation or liability to the Beneficiaries;

**“Trust Property”** means:

- (i) the present and future interest of the Security Trustee in the Security Assets and the encumbrances from time to time constituted by or pursuant to or evidenced by the Debenture and all rights of the Security Trustee to make demands under or enforce the same and all rights accruing to the Security Trustee by virtue of holding the same;
- (ii) all representations, obligations, undertakings and covenants contained in the Debenture (except those granted solely for the benefit of the Security Trustee itself);
- (iii) all monies received by the Security Trustee in connection with any of the foregoing or as a result of enforcement of the same except those received in respect of or appropriated to the benefit of the Security Trustee for itself (but including any amounts for the time being credited to any suspense account); and

**“Trustee Costs”** means the costs and expenses incurred by the Security Trustee in performing its obligations in compliance with this Deed.

## 1.2 Interpretation

- (a) In this Deed, unless the context requires otherwise, any reference to:
- (i) any agreement or document howsoever characterised shall (unless expressly provided otherwise in this Deed) be construed as a reference to that agreement or document as the same may be or may have been amended, supplemented, restated, novated and/or replaced from time to time and shall be deemed to incorporate the provisions of any deed of accession entered into by any party from time to time;
  - (ii) any person shall (unless expressly provided otherwise in this Deed) include their respective permitted successors or permitted assigns (whether immediate or derivative);
  - (iii) any enactment shall be deemed to include references to such enactment as re-enacted, amended or extended for the time being;
  - (iv) an “**asset**” includes any present and future asset, revenue, property or right and includes uncalled capital;
  - (v) “**including**” or “**includes**” means including or includes without limitation; and
  - (vi) an action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate thereto;
  - (vii) an “**encumbrance**” shall be construed as a reference to (a) a mortgage, charge, assignment by way of security, pledge, lien or other encumbrance securing any obligation of any person, (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set-off or made subject to a combination of accounts so as to effect payment of sums owed or payable to any person or (c) any other type of preferential arrangement (including title transfer and retention arrangements) having a similar effect;
  - (viii) “**enforceable**” mean the security constituted by the Debenture becoming enforceable in accordance with its terms;
  - (ix) the singular includes the plural and *vice versa*;
  - (x) “**Secured Obligations**” includes obligations and liabilities which would be treated as such but for the liquidation or dissolution of or similar event affecting the Company; and
  - (xi) words denoting the masculine gender shall include the feminine gender also and words denoting persons only shall include companies, corporations and partnerships.
- (b) References to clauses, paragraphs and schedules are references to clauses, paragraphs and schedules of this Deed (unless otherwise stated) and references to this Deed include its schedules.
- (c) Clause headings are for convenience only and shall not affect the construction of this Deed.
- (d) All of the provisions of this Deed are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this Deed under the law of any jurisdiction shall not affect the validity or enforceability of such provision under

the law or any other jurisdiction nor the legality, validity or enforceability of any other provision of this Deed.

- (e) This Deed may be executed in any number of counterparts, each of which when so executed and delivered to any party shall be an original, but all the counterparts shall together constitute one and the same instrument.
- (f) Costs, charges, expenses or remuneration shall be construed so as to include references to any value added tax or similar tax charged or chargeable in respect thereof.
- (g) An action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdiction as most nearly approximates to it.
- (h) The terms of any side letters between any of the parties thereto in relation to the Debenture, are incorporated in this Deed to the extent required to ensure that any disposition of the Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (i) If the Security Trustee reasonably considers that an amount paid by the Company to a Bondholder is capable of being avoided or otherwise set aside on the liquidation or administration of the Company, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (j) It is intended by the parties to this Deed that this document shall take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

## **2 TRUST FOR BENEFICIARIES**

2.1 The Security Trustee will hold the Trust Property on trust for itself and the Beneficiaries on the terms and conditions contained in this Deed, the Debenture and the Intercreditor Deed. The parties to this Deed further acknowledge the Security Trustee will act as trustee in connection with this Deed, the Intercreditor Deed and the Debenture.

2.2 The Security Trustee shall exercise the rights, powers and discretions which are specifically conferred on the Security Trustee by the terms of this Deed, the Debenture and the Intercreditor Deed, together with all rights, powers and discretions as are reasonably incidental to the foregoing or necessary to give effect to the trusts created by this Deed.

### **2.3 Conduct of trusts**

The rights, powers, benefits and discretions which from time to time form part of the Trust Property will be exercised (both before and after enforcement) in accordance with this Deed.

### **2.4 Bondholder and Security Trustee consent**

The consent of the Security Trustee (such consent not to be unreasonably withheld or delayed) is required each and every time the Company constitutes and issues bonds pursuant to other deeds executed by the Company at any time or times in the future or enters into additional debentures or other security documents or instruments in respect of the Security Assets.

### **3 THE TRUST PROPERTY**

#### The Initial Security

The parties to this Deed acknowledge that the Security which is to be held initially by the Security Trustee upon the trusts contained in this Deed is the benefit of the encumbrances and obligations arising in favour of the Security Trustee under the Debenture.

### **4 PERPETUITY PERIOD**

The perpetuity period for each trust created pursuant to this Deed is 125 years from the date of this Deed.

### **5 WINDING UP OF TRUST**

If the Security Discharge Date has occurred, the trusts created by this Deed shall be wound up and the Security Trustee is authorised to release the Security Assets (without recourse or warranty) from the security constituted by the Debenture.

### **6 DUTIES OF THE SECURITY TRUSTEE**

#### **6.1 Obligations to Beneficiaries**

The Security Trustee has no duty to and shall not be concerned with the interests of any person other than the Beneficiaries and its duty to such Beneficiaries shall be limited to the extent set out in this Deed.

#### **6.2 Express duties only**

- (a) The Security Trustee has no duties, obligations or liabilities to any Beneficiary beyond the duties, obligations and liabilities which are expressly stated in this Deed.
- (b) The Security Trustee has only the duties, obligations and responsibilities which are expressly specified in this Deed and shall not have any implied duties, obligations or responsibilities to any person.

#### **6.3 No duty to the Company**

In performing or carrying out its duties, obligations and responsibilities, the Security Trustee shall be considered to be acting only in a mechanical and administrative capacity (except as expressly provided in this Deed or the Debenture) and shall not have, or be deemed to have, any duty (whether as fiduciary, trustee, agent or otherwise), obligation or responsibility to or relationship of trust or agency with the Company.

### **7 SPECIFIC DUTIES**

#### **7.1 The Security Trustee shall:**

- (a) (except as otherwise provided in this Deed) act as trustee under the Debenture in accordance with any instructions given to it by any Instructing Group including any instructions (if so given by an Instructing Group) to refrain from exercising any right, power or discretion vested in it as trustee under the Debenture as more particularly set out in clause 8 (*Duty to act on Instructions*); and
- (b) act as required pursuant to clauses 9 (*Default Procedure*) and 10 (*Enforcement of Debenture*).

#### **7.2 The Company shall not issue any other series of bonds or notes without the consent of the Security Trustee (such consent not to be unreasonably withheld or delayed).**

## **8 DUTY TO ACT ON INSTRUCTIONS**

### **8.1 Security Trustee to act on instructions of an Instructing Group**

- (a) The Security Trustee will exercise its rights in relation to the Trust Property in accordance with the instructions of an Instructing Group (but subject always to this Deed and the Intercreditor Deed).
- (b) The Security Trustee is not obliged to follow any instructions given by any person other than an Instructing Group.
- (c) If the Security Trustee does not receive instructions from an Instructing Group in relation to any matter, it shall be entitled not to take any action. The Security Trustee is not obliged actively to seek such instructions although it is entitled to do so.
- (d) The Security Trustee may do any act or thing in the exercise of any of its duties under this Deed or the Debenture or the Intercreditor Deed, which in its absolute discretion (in the absence of any instructions from an Instructing Group as to the doing of such act or thing) it deems advisable for the protection and benefit of the Beneficiaries.

### **8.2 Limitation on obligation to follow instructions**

- (a) In taking action or refraining from taking action in relation to the Reserved Matters or otherwise, the Security Trustee is not obliged to follow the instructions of an Instructing Group.
- (b) Notwithstanding anything else contained in this Deed, the Security Trustee is entitled to refrain from:
  - (i) exercising any right, power or discretion or taking any other action until it has been instructed by an Instructing Group as to whether or not such right, power or discretion is to be exercised and, if it is to be exercised, as to the manner in which it should be exercised (and until indemnified and/or secured in accordance with clause (ii)); and/or
  - (ii) acting in accordance with any instructions or requests of an Instructing Group until the Security Trustee has received such security and/or indemnity as it may require (whether by way of payment in advance or otherwise) against all costs, claims, expenses (including legal fees) and liabilities which it will or may expend or incur in complying with any such instructions.
- (c) The obligations of the Security Trustee to follow instructions and to carry out its duties are subject always to provisions of clause 11 (*Activities of the Security Trustee*).

### **8.3 Limited liability of Security Trustee for acting on instructions**

Notwithstanding any other provision of this Deed, the Debenture, the Intercreditor Deed or the Bond Instruments, when exercising the rights, benefits, powers, trusts, authorities, discretions and obligations expressed to be granted to the Security Trustee by this Deed, the Debenture, Bond Instruments, the Intercreditor Deed or by operation of law, the Security Trustee where it does act or omit to act at the instruction of an Instructing Group:

- (a) (except as otherwise provided in relation to its Reserved Matters) is not obliged to act other than at the request or direction of an Instructing Group; and
- (b) shall not be responsible or liable to any person for any loss, costs, damages, expenses or inconvenience which may result from such exercise or non-exercise.

**9 DEFAULT PROCEDURE**

9.1 Insolvency procedures

The Security Trustee will immediately inform the Beneficiaries by email of any notice in writing received by it of:

- (a) any general meeting of the Company convened for the purpose of considering any resolution for the winding-up of the Company;
- (b) any such resolution being proposed (whether in general meeting or otherwise) or passed; or
- (c) any application being made at court for an administration order to be made or an administrator to be appointed in relation to the Company or any administrator of the Company being appointed or notice being given or steps being taken in anticipation of such an appointment; or
- (d) any receiver or receiver and manager (including an administrative receiver) of all or any part of the Company's undertaking or assets being appointed.

9.2 Breach of obligations

The Security Trustee will promptly notify the Beneficiaries in writing of any breach or alleged breach by the Company of any of its material obligations under the Debenture of which it has received written notice.

9.3 Notification of Default

If the security constituted pursuant to the Debenture becomes enforceable, the Security Trustee will (as soon as reasonably practicable after becoming aware of it) notify the Beneficiaries in writing of the occurrence of that event.

**10 ENFORCEMENT OF DEBENTURE**

10.1 Enforcement Instructions

Whilst an Event of Default is continuing, and remains unremedied and/or has not been waived by a Special Resolution, the Security Trustee must, subject to clause 8.1(d), do all or any of the following if so directed or instructed by an Instructing Group:

- (a) to the extent permitted by applicable law, take any action to enforce in any manner (including, without limitation, by appointment of a receiver, administrative receiver, administrator or receiver and manager) any security or obligation constituted by the Debenture over or in respect of any property or assets of the Company or binding it;
- (b) require a valuation to be obtained by an independent valuer of any secured property;
- (c) appoint an independent accountant or other expert to investigate, report to and advise the Security Trustee on the affairs, financial condition and business of the Company; and/or
- (d) contest any petition, action, proceedings or other steps taken in relation to the Company.

10.2 The Security Trustee shall be entitled to seek clarification from an Instructing Group (and/or from any agents acting on their behalf) with regard to any such instructions and may, in its discretion, elect not to act pending receipt of such clarification to its reasonable satisfaction from

the relevant Instructing Group (or agent acting on their behalf).

10.3 No independent right of the Beneficiaries to enforce

No Beneficiary other than the Security Trustee (if applicable) is entitled to seek the enforcement of any of the security constituted by or pursuant to the Debenture otherwise than in accordance with the provisions of the Debenture, Bond Instruments, and the Intercreditor Deed and this Deed. None of the Beneficiaries other than the Security Trustee (if applicable) shall be entitled to:

- (a) exercise any rights, discretions or powers or to grant any consents or releases under or pursuant to the Debenture; or
- (b) otherwise have direct recourse to such security,

in each case except through the Security Trustee, unless the Security Trustee, having become bound to act, fails to do so within a reasonable period.

**11 ACTIVITIES OF THE SECURITY TRUSTEE**

11.1 General powers and discretions of Security Trustee

- (a) The Security Trustee shall have all the powers and discretions:
  - (i) which are conferred upon trustees by the Trustee Act 1925 and (subject to clause 11.33 (*Powers additional*) below) the Trustee Act 2000 (in each case to the extent that these are not inconsistent with this Deed);
  - (ii) which are conferred upon the Security Trustee by:
    - (A) the Debenture; and/or
    - (B) upon a Receiver appointed under the Debenture (as though the Security Trustee were a Receiver thereunder),

and, by way of supplement to these powers and discretions, it is expressly declared that the Security Trustee shall have the powers and discretions specifically set out in this clause 11; and

- (b) The Security Trustee may do any act or thing in the exercise of any of its duties under this Deed, the Bond Instruments, the Debenture or the Intercreditor Deed which in its absolute discretion (in the absence of any instructions of an Instructing Group as to the doing of such act or thing) it deems necessary for the protection of all the Beneficiaries.

11.2 Specific powers of Security Trustee

The Security Trustee may:

- (a) upon a disposal of any property the subject of the Debenture by any Receiver to any third party, release such property from the security constituted by the Debenture; and
- (b) perform all of its obligations under the Debenture (subject to the provisions of the Intercreditor Deed) notwithstanding anything contained in this Deed.

11.3 Information to Beneficiaries

- (a) The Security Trustee shall promptly send to each Beneficiary (or representative, if any, a copy of each notice, report, set of accounts or other document delivered to it under or pursuant to this Deed.
- (b) The Security Trustee is not required to determine the accuracy or completeness of any document or copy that it receives, or that it gives another party.
- (c) Nothing in this Deed or the Debenture obliges the Security Trustee to disclose any information relating to the Company if the disclosure would constitute a breach of any law or duty of secrecy or confidence.
- (d) It is the responsibility of the Company to keep the Security Trustee informed of the Beneficiaries' relevant contact details, and the Security Trustee shall have no liability in respect of any loss arising out of the Company having failed to provide correct contact details.

11.4 Certificates and communications

- (a) ***Communications from parties to this Deed:*** The Security Trustee is entitled to act and/or rely upon any notice, request, certificate, direction, instruction, communication or other document of any party to this Deed or the Debenture for the purposes of this Deed if that notice, request or other communication purports to be signed or sent by or on behalf of an authorised signatory of such party, and the Security Trustee shall not be liable for acting on any such notice, request, certificate, direction, instruction, communication or other document even if any of the same includes any error or omission or is not authentic.
- (b) ***No obligation to verify:*** The Security Trustee shall not be bound to call for further evidence or to be responsible for any loss that may be occasioned by its failure to call for further evidence or by its acting on any such certificate.
- (c) ***Reliance on certificates of fact:*** The Security Trustee may call for and rely (as to any matters of fact which might reasonably be expected to be within the knowledge of the Company) upon a certificate which purports to be signed or sent by or on behalf of an authorised signatory of such person as sufficient evidence thereof and shall not be bound in any such case to call for further evidence or be responsible for any loss which may be occasioned by the Security Trustee failing to call for further evidence.

11.5 Assume no default

The Security Trustee may (and it is the intention that it shall) assume (without enquiry) that:

- (a) no event, condition or act has happened, the happening of which would cause a right or remedy to become exercisable by the Security Trustee under this Deed, the Bond Instruments, the Debenture or the Intercreditor Deed;
- (b) the Company is not in breach of any of its obligations under the Debenture or the Bond Instruments or the Intercreditor Deed; and
- (c) no Event of Default has occurred.

The Security Trustee shall not be bound to take any steps to ascertain whether any such event has occurred.

11.6 Appointment of additional trustees

- (a) The Security Trustee is entitled at any time (with the prior consent of an Instructing Group (such consent not to be unreasonably withheld or delayed)) to appoint (and

subsequently to dismiss) any other person or persons as it thinks fit to become additional trustees under this Deed to assist it in carrying out its duties under this Deed and each such additional trustee shall be entitled to the same rights and subject to the same obligations under this Deed as the Security Trustee.

- (b) Appointment of such other person(s) shall not entitle the Security Trustee, or such other person(s), to any additional remuneration other than that which would have been due in any event and shall not increase any amounts payable by the Company under this Deed.

#### 11.7 Act on advice

The Security Trustee may but shall not be obligated to (in relation to any of the provisions of the Debenture, this Deed, the Bond Instruments, the Intercreditor Deed and/or any other related documents):

- (a) engage and pay all fees and expenses properly incurred in accordance with the terms of the Debenture for the advice or services of; and/or
- (b) act on the advice or opinion of, or any information obtained (whether by the Security Trustee or any other person and however given) from,

any lawyer, accountant, banker, broker, surveyor, valuer, auctioneer, financial adviser or other professional adviser or other expert whose advice, services, opinion or information may seem necessary, expedient or desirable to the Security Trustee. The Security Trustee shall not be responsible for any loss occasioned by acting on that advice, opinion or information. Any advice or opinion or information referred to in this clause 11.7 may be sent or obtained by letter, email or facsimile transmission. The Security Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, email or facsimile transmission even if it contains any error.

#### 11.8 Delegation

The Security Trustee may:

- (a) act by one or more responsible officers of the Security Trustee; and/or
- (b) whenever it thinks fit, delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons all or any of the rights, trusts, powers, authorities and discretions vested in it by the Debenture, this Deed, the Bond Instruments, the Intercreditor Deed and/or any other related documents.

Such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as the Security Trustee may think fit. The Security Trustee shall not be bound to supervise the proceedings or be in any way responsible or liable for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate.

#### 11.9 Employment of agents

Instead of acting personally in the conduct of the trust business, the Security Trustee may employ and pay an agent (whether a lawyer or other person) to transact or concur in transacting any business and to do or concur in doing all acts which are required to be done by the Security Trustee (including the receipt and payment of money).

#### 11.10 Entitlement of professional trustee to charge

If the Security Trustee is a banker, lawyer, accountant, broker, valuer, auctioneer or other person engaged in any profession or business, it shall be entitled to charge and be paid:

- (a) all usual professional and other charges for business transacted and acts done by

her/him or her/his firm in connection with the trusts of this Deed or the Debenture; and

- (b) her/his charges (in addition to disbursements) for all other work and business done and all time spent by her/him or her/his firm on matters arising in connection with this Deed, the Intercreditor Deed, the Bond Instruments or the Debenture (including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person).

11.11 Storage of documents

- (a) Unless instructed to the contrary by an Instructing Group and subject to the Security Trustee's discretion conferred by clause 11.8(b) the Security Trustee is not obliged to hold any title deeds or other documents in connection with the Security Assets in its own possession or under its own control or to take any steps to protect or preserve or insure the same. The Security Trustee may permit the Company to retain all such title deeds and other documents in connection with the Security Assets in their possession.
- (b) The Security Trustee is entitled to (but not obliged to) place documents or title deeds delivered to it pursuant to or in connection with the Debenture which are for the time being in its possession:
  - (i) in any safe deposit, safe or receptacle selected by the Security Trustee; or
  - (ii) with any bank, any company whose business includes undertaking the safe custody of documents; or
  - (iii) with any firm of solicitors.
- (c) The Security Trustee shall not be responsible or liable for any loss incurred as a result of doing any of the foregoing (except that the Security Trustee shall take reasonable steps to pursue any person who may be liable to it in connection with that loss).

11.12 No responsibility for validity of powers and Debenture

The Security Trustee shall not be responsible or liable for the genuineness, legality, validity, enforceability, adequacy, effectiveness or suitability of:

- (a) or its entitlement to, exercise the rights, trusts, powers, authorities and discretions conferred on it by the Debenture or the Intercreditor Deed (or any other documents entered into in connection therewith);
- (b) any obligations or rights created or purported to be created by or pursuant to any of the foregoing;
- (c) any security or the priority thereof constituted or purported to be constituted by or pursuant to any of the foregoing; or
- (d) (to any person because of) any invalidity of any provision of any such document or the unenforceability thereof (whether arising from statute, law or decision of any court).

11.13 No duty to investigate

- (a) Without prejudice to the generality of the foregoing the Security Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
  - (i) any matters listed in clause 11.12;
  - (ii) the nature, status, creditworthiness or solvency of the Company or any other

entity which has at any time provided any security or support (whether by way of guarantee, charge or otherwise in respect of the Secured Obligations);

(iii) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of any document entered into in connection therewith.

(b) It is confirmed that prior to the date of this Deed the Security Trustee has not made (and it was the intention that it should not make) any such examination, investigation or enquiry as set out in this clause 11.13.

11.14 No responsibility to enquire as to correctness

(a) The Security Trustee shall have no liability to any person for (or for investigating any matter which is the subject of) any recitals, statements, warranties or representations of any party contained in the Debenture, the Intercreditor Deed, Bond Instruments or any other agreement entered into in connection therewith and shall assume the accuracy and correctness thereof.

(b) It is confirmed that prior to the date of this Deed the Security Trustee has not made (and it was the intention that it should not make) any such examination, investigation or enquiry as set out in this clause 11.14.

11.15 No duty to investigate title

(a) The Security Trustee may:

(i) accept without enquiry, requisition or objection whatever title the Company or any other person may have to the Security Assets or any part thereof from time to time; and

(ii) shall not be bound to investigate or make any enquiry into the title of the Company to the Security Assets or any part thereof from time to time (whether or not any default or failure is or was known to the Security Trustee or might be, or might have been, discovered upon examination, inquiry or investigation and whether or not capable of remedy).

(b) It is confirmed that prior to the date of this Deed the Security Trustee has not made (and it was the intention that it should not make) any such examination, investigation or enquiry as set out in this clause 11.15.

11.16 No obligation to give notice

The Security Trustee shall not be bound to give notice to any person of the execution of this Deed, the Debenture or the Intercreditor Deed or the Bond Instruments or any transactions contemplated by this Deed or any of them.

11.17 No liability for failure to perfect or inaction in relation to security

The Security Trustee shall not be liable for any failure, omission or defect in perfecting, protecting or further assuring the security constituted or intended to be constituted by or pursuant to the Debenture (including, without prejudice to the generality of the foregoing):

(a) failure to obtain any licence, consent or other authority for the execution of the Debenture (including, without limitation, the consent of any person required under the terms of any documents constituting the Security Assets);

(b) failure to register the same in accordance with any of the documents of title of the Company to any of the Security Assets;

- (c) any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting the Security Assets or the priority thereof or the right or title of any person in or to the assets comprised therein by registering under any applicable registration laws in any territory any notice or other entry prescribed by or pursuant to the provisions of any such laws;
- (d) any failure or omission to require any further assurance in relation to the Security Assets;
- (e) any failure to call for delivery of documents of title or to require any transfers, legal mortgages, charges to be effected in relation to any of the Security Assets;
- (f) any failure to effect or to procure registration of or otherwise protect any floating charge created by or pursuant to the Debenture by registering under the Land Registration Act 2002 any notice or other entry prescribed by or pursuant to the provisions of that Act, (and it is the intention that the Security Trustee shall not so effect or procure the registration of or otherwise so protect a floating charge unless otherwise instructed by an Instructing Group);
- (g) failure to take or require the Company to take any steps to render any charge created by the Debenture effective as regards assets (if any) outside England and Wales or to secure the creation of any ancillary charge under the laws of any other territory concerned; or
- (h) failure by the Company to perfect its title to all or any part of the Security Assets.

11.18 No liability for loss of Security Assets

The Security Trustee shall not be responsible for any loss, expense or liability occasioned to the Security Assets (however caused) by any act or omission of the Company or any other person (including any bank, broker, depository, warehouseman or other intermediary or any clearing system or the operator thereof) acting in accordance with or contrary to the terms of the Debenture, the Bond Instruments or the Intercreditor Deed or any other agreement entered into in connection therewith or otherwise and irrespective of whether the Security Assets are held by or to the order of any of the foregoing persons, unless such loss is occasioned by the gross negligence or wilful misconduct or fraud of the Security Trustee.

11.19 No obligation to insure Security Assets

Without prejudice to the provisions of this Deed and the Debenture, the Security Trustee shall not be:

- (a) under any obligation to insure any of the Security Assets or documents of title or other evidence in respect thereof or to require any other person to maintain any such insurance;
- (b) under any responsibility or liability in respect of the insurances required to be taken out in respect of the Company pursuant to the Debenture; or
- (c) responsible or liable for any loss, expense or liability which may be suffered as a result of the lack of or inadequacy of any such insurance.

11.20 Powers of investment

Subject to the terms of the Intercreditor Deed, all monies which are received or held by the Security Trustee under the trusts contained in this Deed and the Debenture when the security constituted by the Debenture becomes enforceable may be (but the Security Trustee shall be under no obligation to have it) invested:

- (a) by placing the same on deposit in the name of the Security Trustee or any nominee or

under the control of the Security Trustee at a bank which at the time of such deposit is authorised for the purposes of the Financial Services and Markets Act 2000; or

(b) otherwise as the Security Trustee (acting in its absolute discretion) thinks fit,

and the Security Trustee shall not be responsible or liable for any loss occasioned by so investing, whether by depreciation in value, fluctuation in exchange rates or otherwise.

11.21 No obligation to monitor status of investments

The Security Trustee shall not be under any obligation to monitor whether any bank with which money is deposited under clause 11.20 (*Powers of investment*) remains authorised for the purposes of the Financial Services and Markets Act 2000 and is appropriately rated and shall assume that it does until it has actual knowledge to the contrary. At that time the Security Trustee will endeavour (as the case may be) to deposit such money within a reasonable time (having regard to the costs of breaking any deposit made) or to change the investment.

11.22 No liability for errors of employees

The Security Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Security Trustee who is assigned by the Security Trustee to administer its corporate trust matters unless it is proved that the Security Trustee was grossly negligent in ascertaining the pertinent facts.

11.23 Not risk own funds

No provision of this Deed or the Debenture or the Intercreditor Deed shall:

- (a) require the Security Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers (including, without limitation, where it is bound to act at the direction of any Beneficiary) or if it has reasonable grounds for believing that repayment of such funds or adequate indemnity and/or security against such risk or liability is not assured to it; or
- (b) (without prejudice to the generality of the foregoing) impose any obligation on the Security Trustee to make any further advance or protect or preserve any monies standing to the credit of any account.

11.24 Not breach law or the Intercreditor Deed

Notwithstanding anything else contained in this Deed, the Security Trustee:

- (a) may refrain from doing anything which would or might in its opinion be contrary to (i) the provisions of the Intercreditor Deed; and/or (ii) any law of any jurisdiction or any directive or regulation of any agency of any state (including any environmental directive or regulation) or which would or might otherwise render it liable to any person; and
- (b) may do anything which, in its opinion, is necessary to comply with (i) any provisions of the Intercreditor Deed; and/or (ii) any such law, directive or regulation.

11.25 No action without indemnity

Notwithstanding anything else contained in this Deed, the Security Trustee may refrain from taking any action or exercising any right, power, authority or discretion vested in it under this Deed, the Intercreditor Deed or the Debenture or any of the Security Assets or any other agreement relating to the transactions herein or therein contemplated (including, without limitation, where it is so bound to act at the direction of an Instructing Group) until it has been indemnified and/or secured to its satisfaction against any and all actions, charges, claims, costs,

damages, demands, expenses, liabilities, losses and proceedings (including legal and other professional fees) which might be brought, made or conferred against or suffered, incurred or sustained by it as a result.

11.26 No duty to disclose

- (a) The Security Trustee shall not (unless ordered to do so by a court of competent jurisdiction) be required to disclose to any other party any confidential or financial or other information made available to the Security Trustee by the Company if such disclosure would or might in its opinion constitute a breach of any law or regulation or otherwise be actionable at the suit of any person.
- (b) No party to this Deed or the Debenture shall be entitled to take any action to obtain such information from the Security Trustee.

11.27 Meaning of this Deed

Except as otherwise provided in this Deed, the Security Trustee shall (as between itself and the other Beneficiaries) have full power to determine all questions and doubts arising in relation to the interpretation or application of any of the provisions of this Deed, the Debenture, the Intercreditor Deed, or the Bond Instruments as it affects the Security Trustee. Every such determination (whether made upon a question actually raised or implied in the acts or proceedings of the Security Trustee) shall be conclusive and shall bind the Beneficiaries.

11.28 Giving of consents

Any consent or approval given by the Security Trustee for the purpose of this Deed, the Intercreditor Deed or the Debenture may be given on such terms and subject to such conditions (if any) as the Security Trustee may require and notwithstanding anything to the contrary contained in this Deed, the Intercreditor Deed or the Debenture.

11.29 Not monitor obligations to the Company

The Security Trustee shall not be responsible to any person for monitoring the obligations of the Company and shall assume that all such persons are duly performing the same.

11.30 Entitlement to withhold

Notwithstanding anything contained in this Deed, the Intercreditor Deed or the Debenture, to the extent required by any applicable law, if the Security Trustee is required to make any deduction or withholding from any distribution or payment made by it under this Deed, the Intercreditor Deed or the Debenture or if the Security Trustee is otherwise charged to, or may become liable to, tax as a consequence of performing its duties under the Debenture or any other agreement entered into in connection therewith:

- (a) whether as principal, agent or otherwise; and
- (b) whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Security Trustee; and
- (c) whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Deed (other than in connection with its remuneration as provided for in this Deed) or any investments from time to time representing the same, including any income or gains arising therefrom, or any action of the Security Trustee in or about the administration of the trusts of this Deed or the Debenture (other than the remuneration in this Deed specified) or otherwise,

then the Security Trustee shall be entitled to make such deduction or withholding or (as the case may be) to retain out of sums received by it an amount sufficient to discharge any liability to

tax which relates to sums so received or distributed or to discharge any such other liability of the Security Trustee to tax from the funds held by the Security Trustee on the trusts of this Deed or the Debenture or the Intercreditor Deed.

11.31 No liability for Tax

The Security Trustee shall have no responsibility or liability whatsoever to the Company or any other Beneficiary as regards any deficiency or additional payment (as the case may be) which may arise because the Security Trustee or the Company is subject to any tax in respect of the Security Assets or any part thereof or any income therefrom or any proceeds thereof.

11.32 Other transactions of Security Trustee

Neither the Security Trustee nor any director or officer of the Security Trustee is precluded by reason of acting as a trustee from entering into or being interested in any contract or financial or other transaction or arrangement or any other business with any party to this Deed including (without prejudice to the generality of this clause 11.32):

- (a) any contract, transaction or arrangement of a banking or insurance nature; or
- (b) any contract, transaction or arrangement in relation to:
  - (i) the making of loans, the provision of financial facilities to or the holding of the notes or bonds of; or
  - (ii) the purchase, placing or underwriting, of guaranteeing the subscription of, or subscribing or procuring subscriptions for, or otherwise acquiring, holding or dealing with, any debentures, shares or securities of the Company or any connected person of,  
  
the Company; or
- (c) accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to any party to this Deed, the Bond Instruments or any connected person of the Company.

The Security Trustee is entitled to retain, and shall not be in any way liable to account for any profit made, payment or remuneration or other benefit received thereby or in connection with any of the foregoing or any amount received by it for its own account or the profit element of any such sum.

11.33 Company's duty to assist the Security Trustee

- (a) The Company represents, warrants and covenants to the Security Trustee that it shall, and the Company shall procure that its officers, employees, consultants and anyone else under its control shall, provide assistance to the Security Trustee, including providing access to relevant offices, documents and any other information and making its officers, employees, consultants and anyone else under its control available to the Security Trustee, as the Security Trustee may reasonably require.

**12 POWERS ADDITIONAL**

The powers conferred by this Deed upon the Security Trustee are in addition to any powers which may from time to time be vested in it by general law or as the holder or mortgagee in possession of any of the Security Assets. Part 1 of the Trustee Act 2000 shall not apply to the trusts created by this Deed.

**13 LIABILITY OF SECURITY TRUSTEE**

- 13.1 Nothing in this Deed or the Debenture or the Intercreditor Deed shall, in any case in which the Security Trustee has failed to show the degree of care and diligence required of it as trustee (having regard to the provisions of this Deed or the Debenture or the Intercreditor Deed imposing or conferring on the Security Trustee any obligations, powers, authorities or discretions), relieve the Security Trustee from any liability for breach of trust or any liability which by virtue of any rule of law within a Relevant Jurisdiction would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty in relation to its duties under this Deed.
- 13.2 Subject to Clause 13.1, the Security Trustee shall not in any event be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise. However, this Clause 13.2 shall not apply in the event of a determination of fraud, negligence or wilful default on the part of the Security Trustee.
- 13.3 Without prejudice to any provision of this Deed or the Debenture or the Intercreditor Deed excluding or limiting the liability of the Security Trustee, any liability of the Security Trustee arising under or in connection with this Deed or the Debenture or the Intercreditor Deed shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Trustee or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Trustee at any time which increase the amount of that loss.

**14 REASONABLENESS OF BENEFICIARIES**

Each provision of the Debenture which requires the Security Trustee to act reasonably shall be deemed satisfied by the Security Trustee acting in accordance with the instructions of an Instructing Group in accordance with the provisions of this Deed and the Debenture.

**15 RETIREMENT AND REMOVAL OF THE SECURITY TRUSTEE**

15.1 Retirement

The Security Trustee may at any time, and without assigning any reason therefore or being responsible for any costs occasioned thereby, give not less than 60 Business Days' notice to the Company of its desire to retire from the trusteeship of this Deed and request the Company within such 60 Business Day period to appoint a replacement Security Trustee, whereupon the Company (on behalf of the Beneficiaries) shall use reasonable endeavours to appoint a replacement Security Trustee.

15.2 Conditions to retirement

The retirement of the Security Trustee under clause 15.1 (*Retirement*) shall not take effect until the appointment of a replacement trustee has been effected by the Company pursuant to clause 15.1 (*Retirement*) and the replacement Security Trustee has confirmed its agreement to be bound by the provisions of this Deed whereupon the retiring Security Trustee shall thereby forthwith be discharged from any further obligations under this Deed (but without prejudice to any accrued liabilities under this Deed) but shall remain entitled to the benefit of clauses 13.2 and 16 (*Remuneration and Indemnification of the Security Trustee*) and the replacement Security Trustee shall have all the rights, trusts, powers, authorities, discretions, duties and obligations of the Security Trustee under this Deed as if it had been a party to this Deed.

15.3 Removal of Security Trustee

- (a) An Instructing Group may at any time by not less than 10 Business Days' notice to the

Security Trustee and the Company remove the Security Trustee from the trusteeship of this Deed without assigning any reason therefore **provided** that such removal shall not take effect until the Company shall have appointed a replacement Security Trustee in accordance with clauses 15.1 (*Retirement*) and 15.2 (*Conditions to retirement*) and such replacement Security Trustee shall have become bound by the provisions of this Deed whereupon the Security Trustee being removed shall thereby forthwith be discharged from any further obligations under this Deed (but without prejudice to any accrued liabilities under this Deed) but shall remain entitled to the benefit of clauses 13.2 and 16 (*Remuneration of the Security Trustee*).

- (b) Upon the replacement Security Trustee agreeing in writing that it shall assume the duties and obligations assumed by the Security Trustee in this Deed it shall have all the rights, trusts, powers, authorities, discretions, duties and obligations of the Security Trustee under this Deed.

15.4 Right of Security Trustee in default of appointment

If such a notice of resignation or removal has been given and, within 10 days after expiry of such notice of resignation or removal, no successor Security Trustee shall have been appointed in accordance with this Deed and have accepted such appointment, the retiring Security Trustee shall have the right to appoint a successor Security Trustee.

15.5 Effective date of resignation or removal

The resignation or removal of the retiring Security Trustee and the appointment of any successor Security Trustee shall both become effective upon the successor Security Trustee notifying the Company in writing that it accepts such appointment and executing a suitably binding accession deed whereupon the successor Security Trustee shall succeed to the position of the retiring Security Trustee and the term "**Security Trustee**" in the Debenture, the Bond Instruments and the Intercreditor Deed shall include such successor Security Trustee where appropriate. This clause 15.5 shall continue to benefit a retiring Security Trustee in respect of any action taken or omitted by it under the Debenture or the Intercreditor Deed or the Bond Instruments while it was a Security Trustee.

**16 REMUNERATION AND INDEMNIFICATION OF THE SECURITY TRUSTEE**

16.1 The Company shall promptly indemnify the Security Trustee and every Receiver, delegate, attorney, agent or similar person appointed under this Deed or the Debenture against any cost, loss or liability (together with any applicable VAT) incurred by any of them as a result of:

- (a) any failure by the Company to pay any Trustee Costs when due;
- (b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- (c) the taking, holding, protection or enforcement of the Trust Property;
- (d) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Trustee and each Receiver by this Deed, the Debenture or by law;
- (e) any default by the Company in the performance of any of the obligations expressed to be assumed by it in this Deed or the Debenture or the Intercreditor Deed;
- (f) instructing lawyers, accountants, tax advisers, surveyors, a financial adviser or other professional advisers or experts as permitted under this Deed; or
- (g) acting as Security Trustee or Receiver under this Deed or the Debenture or the Intercreditor Deed or which otherwise relates to any of the Trust Property,

otherwise, in each case, than by reason of the Security Trustee or Receiver's gross negligence or wilful misconduct.

- 16.2 The Security Trustee and every Receiver, delegate, attorney, agent or similar person appointed under this Deed or the Debenture may indemnify itself out of the Security Assets against any cost, loss or liability incurred by it in that capacity and where acting properly in the course of its duties (other than by reason of its own negligence or wilful misconduct).

**17 RIGHTS CONTINUE IN FORCE**

Unless otherwise specifically stated in any discharge, the provisions of clause 15 (*Retirement and Removal of Security Trustee*) clause 16 (*Remuneration and Indemnification of the Security Trustee*) shall remain in full force and effect notwithstanding such discharge.

**18 VAT**

The remuneration and any additional remuneration payable under clause 16 (*Remuneration and Indemnification of the Security Trustee*) shall be paid exclusive of value added tax which shall be added at the rate (if any) applicable and paid by the Security Trustee.

**19 BENEFICIARIES' INSTRUCTIONS**

The Security Trustee is fully protected and shall incur no liability whatsoever if it acts on the instructions or consent of an Instructing Group in the exercise of any right, power or discretion whether or not set out in this Deed. Any instructions given by an Instructing Group will be binding on all the Beneficiaries. In the absence of instructions, the Security Trustee may act as it considers to be in the best interest of all the Beneficiaries.

**20 BENEFIT OF THIS DEED**

20.1 Benefit

This Deed shall be binding on and ensure to the benefit of each party to this Deed and its successors and assigns.

20.2 Assignment

No party to this Deed may assign all or any of its rights or transfer all or any of its rights, benefits and obligations under this Deed, except (i) as expressly permitted in this Deed or the Debenture and in accordance with the terms of this Deed or the Debenture or (ii) as may be required by applicable law.

**21 SUSPENSE ACCOUNT**

The Security Trustee may (subject to the Intercreditor Deed):

- (a) hold in an interest bearing suspense account any moneys received by it from any Party;
- (b) invest an amount equal to the balance from time to time standing to the credit of that suspense account on any of the investments authorised by clause 11.20.

**22 NOTICES**

- 22.1 Each notice or other communication required to be given to a party under or in connection with this Deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by email; and

(c) sent to:

the Company at:

Seven Stars Legal Ltd, at its registered office

(i) the Security Trustee at:

Verdant Trustees Ltd, at its registered office

or to any other address or email address as is notified in writing by one party to the other from time to time explicitly for this purpose.

22.2 Any notice or other communication shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and
- (c) if sent by email, when received in legible form.

A notice or other communication given as described in clause 22.1 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

## **23 WAIVER AND MISCELLANEOUS**

### **23.1 No waiver**

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee of any right, power or privilege under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof, or the exercise of any other power or right.

### **23.2 Remedies cumulative**

The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

## **24 INTERCREDITOR DEED**

Notwithstanding anything contained herein to the contrary, this Deed and the exercise of any right or remedy by or the obligations of the Security Trustee and/or the Beneficiaries and/or the Company under this Deed, the Debenture and the Bond Instruments are expressly subject to the provisions of the Intercreditor Deed. In the event of any conflict between the terms of this Deed, the Debenture and the Bond Instruments and the terms of the Intercreditor Deed, the terms of the Intercreditor Deed shall prevail.

## **25 THIRD PARTY RIGHTS**

A person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed. This clause does not affect any right of remedy of any person who exists, or is available, otherwise than pursuant to that Act.

**26 GOVERNING LAW**

This Deed and any dispute or claim arising out of it or in connection with it (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England.

**27 COUNTERPARTS**

This Deed may be executed in any number of counterparts and shall be deemed executed and delivered upon the parties executing and delivering each's counterpart to the other which may also, without prejudice to any other method, be done by electronic delivery or exchange of signature pages.

**28 JURISDICTION**

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

28.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly, no party will argue to the contrary.

28.3 This clause 28 is for the benefit of the Security Trustee only. As a result, the Security Trustee 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 Trustee may take concurrent proceedings in any number of jurisdictions.

This Deed has been signed on behalf of the Security Trustee and executed as a deed by the Company and is delivered by it on the date specified above.

**Schedule 1**

**Reserved Matters of the Security Trustee**

**“Reserved Matters”** means each and every right, power, authority and discretion of, or exercisable by, the Security Trustee (whether expressed as a right, power, authority or discretion of the Security Trustee or an obligation of any other party) pursuant to this Deed:

- (a) to receive any sums owing to it for its own account in respect of fees, costs, charges, liabilities, damages, proceedings, claims and demands in performing its powers and exercising its discretions under this Deed, the Debenture, the Bond Instruments, the Intercreditor Deed or any other agreement in connection therewith to which the Security Trustee is a party;
- (b) which is provided for the purpose of enabling the Security Trustee to protect its own position and interests in its personal capacity or which the Security Trustee (acting reasonably) determines to be necessary or appropriate to exercise for the protection of its own position and interests in its personal capacity;
- (c) except as otherwise specifically provided in this Deed to apply any sums which represent proceeds of enforcement of the security constituted by or pursuant to the Debenture in accordance with clause 10 (*Enforcement of Debenture*);
- (d) to receive notices, certificates, communications or other documents or information, to direct that such notices, certificates, communications or other documents or information shall be provided (or shall not be provided) to it or to any other party, or, where applicable, to determine the form and content of any notice, certificate or communication;
- (e) which is passive on the part of the Security Trustee (including, without limitation, any right of the Security Trustee to make assumptions as to, or to rely on any notice, certificate or other communication confirming, the existence or non-existence of any fact, circumstance or event);
- (f) to agree to any amendment to this schedule 1; and
- (g) to determine amounts due in relation to, and to claim under, indemnities in favour of the Security Trustee under the Debenture, the Bond Instruments, the Intercreditor Deed or any other agreement in connection therewith.

**EXECUTION PAGE TO THE SECURITY TRUST DEED IN RELATION TO THE SECURED BONDS OF SEVEN STARS LEGAL LTD**

**EXECUTED** as a deed by **VERDANT TRUSTEES LTD** as **security trustee for and on behalf of the Beneficiaries**

acting by:

Signature of Director  
Print name of Director

in the presence of:


Witness:

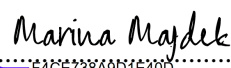
Signature

Name

Address

Occupation

DocuSigned by:  
  
8493325DCA7C46D  
David Tucker

Signed by:  
  
F4CE738A9D1E40D...  
Marina Majdek

Birdsmouth Court, London n15 4FW

**EXECUTED** as a deed by **SEVEN STARS LEGAL LTD**

acting by:

Signature of Director  
Print name of Director

in the presence of:

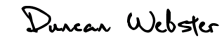
Witness:


Signature

Name

Address

Occupation

DocuSigned by:  
  
3A0C18998BE2488  
Duncan Webster

Signed by:  
  
5F0A7D659444162...  
Andrew Neal

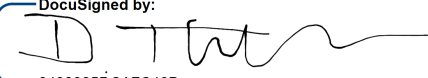
31 Belle Vue Terrace Lancaster

**EXECUTION PAGE TO THE BOND DEED IN RELATION TO THE SECURED BONDS OF SEVEN STARS LEGAL LTD**

**EXECUTED** as a deed by  
**VERDANT TRUSTEES LTD** as  
security trustee for and on behalf  
of the Beneficiaries

acting by:  
Signature of Director  
Print name of Director  
in the presence of:  
Witness:  
Signature  
Name  
Address

Occupation

DocuSigned by:  
  
.....8493325DCA7C46D.....  
David Tucker  
.....

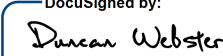
Signed by:  
  
.....P4CE738A9D1E40D.....  
Marina Majdek  
.....

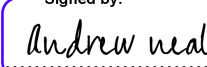
.....Birdsmouth Court, London N15 4FW  
.....

**EXECUTED** as a deed by **SEVEN STARS LEGAL LTD**

acting by:  
Signature of Director  
Print name of Director  
in the presence of:  
Witness:  
Signature  
Name  
Address

Occupation

DocuSigned by:  
  
.....9A0C18958BF2488.....  
Duncan Webster  
.....

Signed by:  
  
.....85DA7D678484462.....  
Andrew Neal  
.....

.....31 Belle Vue Terrace Lancaster  
.....