



Registration of a Charge

Company name: **AVAYA UK**

Company number: **03049861**

Received for Electronic Filing: **19/12/2017**



Details of Charge

Date of creation: **15/12/2017**

Charge code: **0304 9861 0004**

Persons entitled: **CITIBANK N.A.**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

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

Certified by:

NORTON ROSE FULBRIGHT LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3049861

Charge code: 0304 9861 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th December 2017 and created by AVAYA UK was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th December 2017 .

Given at Companies House, Cardiff on 20th December 2017

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



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

EXECUTION VERSION

Dated 15 December 2017

AVAYA UK
AVAYA INTERNATIONAL SALES LIMITED

as Chargors

and

CITIBANK, N.A.

as Collateral Agent

SECURITY AGREEMENT

I certify that, save for material
redacted pursuant to s.859G
of the Companies Act 2006,
this copy instrument is a correct copy
of the original instrument.

^NORTON ROSE FULBRIGHT

Sign & Dated Norton Rose Fulbright LLP
18/12/17

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THIS DEED is dated 15 December 2017

BETWEEN:

- (1) **AVAYA UK** (registered number 03049861) a private unlimited company with its registered office at Avaya House, Cathedral Hill, Guildford, Surrey GU2 7YL (**Avaya UK**);
- (2) **AVAYA INTERNATIONAL SALES LIMITED**, a private company limited by shares incorporated under the laws of Ireland (no. 342279) (**Avaya Ireland**, and together with Avaya UK, the **Chargors**); and
- (3) **CITIBANK, N.A.** as security agent and trustee for the Foreign Secured Parties (as defined in the Credit Agreement (defined below)) (the **Collateral Agent**).

BACKGROUND

- (A) Each Chargor enters into this Deed in connection with the Credit Agreement.
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 Interpretation

1.1 Definitions

In this Deed (including its Recitals):

Account Bank means a bank with whom a Security Account is maintained.

Act means the Law of Property Act 1925.

Administrator means any administrator appointed in respect of any Chargor (whether by the Collateral Agent, or a court or otherwise).

Assigned Contract means in each case, to the extent governed by English law, in relation to any Chargor:

- (a) any Cash Management Document;
- (b) any Hedging Agreement;
- (c) any Intercompany Document;
- (d) any letter of credit from time to time issued in its favour under which the aggregate consideration payable at any time is in excess of \$250,000 (or its equivalent in other currencies);
- (e) any bill of exchange or other negotiable instrument from time to time held by it for an amount in excess of \$250,000 (or its equivalent in other currencies);
- (f) any other agreement whether existing at the date of this Deed or entered into after the date of this Deed under which the aggregate consideration payable at any time to a Chargor is in excess of \$100,000 (or its equivalent in other currencies); and
- (g) any other agreement from time to time to which a Chargor is a party and which a Chargor and the Collateral Agent have designated an Assigned Contract.

Cash Management Document means in relation to any Chargor, any agreement to which it is a party between two or more members of the Group that provides for any cash pooling, set-off, netting, or similar arrangement.

Charged Shares means all shares in any member of the Group that is on the date of this Deed, or after the date of this Deed becomes, a wholly-owned Material Subsidiary of a Chargor that is a Restricted Subsidiary and which is incorporated in England and Wales and held by, or issued to, a Chargor or held by any nominee on its behalf.

Charged Company means each member of the Group from time to time whose shares are subject to this Security.

Credit Agreement means the credit agreement dated on or about the date of this Deed between Avaya UK as U.K. Borrower, the other borrowers party thereto, the lenders from time to time party thereto, Citibank, N.A. as Administrative Agent and Collateral Agent and the other parties thereto.

Discharge Date means the earliest date on which all Secured Obligations are repaid in full (except for Hedging Obligations in respect of any Secured Hedging Agreement, Cash Management Obligations in respect of Secured Cash Management Agreements and Contingent Obligations, in each case with respect to the Foreign Borrowers and the other Foreign Credit Parties) and all Foreign Revolving Credit Commitments are terminated.

Enforcement Event means the occurrence of an Event of Default which is continuing.

English Assets has the meaning given to that term in Clause 3.1(d) (*General*).

Group means Holdings, the Parent Borrower and any immediate holding company of the Parent Borrower and any of the Parent Borrower's Restricted Subsidiaries.

Insurance Policies means, in relation to any Chargor, all insurance policies maintained by such Chargor, other than any insurance policy to the extent such insurance policy provides for (i) business interruption insurance or (ii) insurance in respect of liabilities of that Chargor to third parties.

Intercompany Document means in relation to any Chargor, any note or loan agreement with any other member of the Group.

Investments means:

- (a) the Charged Shares; and
- (b) all other shares, stocks, debentures, bonds, warrants, coupons and other securities and investments issued by any member of the Group that is a wholly-owned Material Subsidiary of a Chargor that is a Restricted Subsidiary and is organized in England and Wales, Germany, Ireland or Canada,

which a Chargor purports to mortgage or charge under this Deed.

Plant and Machinery means any plant, machinery, computers or office equipment which a Chargor purports to mortgage or charge under this Deed.

Receiver means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed and that term will include any appointee under a joint and/or several appointment.

Related Rights means in relation to any Investment:

- (a) the proceeds of sale of the whole or any part of that asset or any monies and proceeds paid or payable in respect of that asset;

- (b) all rights under any agreement for sale, option or lease in respect of that asset; and
- (c) all rights, benefits, claims, contracts, warranties, remedies, security indemnities or covenants for title in respect of that asset.

Secured Obligations means the "Foreign Obligations" as such term is defined in the Credit Agreement.

Security means any Security Interest created, evidenced or conferred by or under this Deed.

Security Account means in relation to any Chargor:

- (a) any account specified in Part 2 of Schedule 1 (*Security Assets*) opposite its name;
- (b) any other account which a Chargor purports to charge under this Deed; and
- (c) in each case, any subdivision or sub account of any such account,

but excludes any Excluded Account.

Security Assets means any and all assets of each Chargor that are the subject of this Security.

Security Interest means any mortgage, pledge, lien, charge (fixed or floating), assignment, hypothecation, set-off or trust arrangement for the purpose of creating security, reservation of title or security interest or any other agreement or arrangement having a similar effect.

Security Period means the period beginning on the date of this Deed and ending on the Discharge Date.

Territory means England and Wales.

1.2 Construction

In this Deed (including its Recitals):

- (a) **capitalised** terms defined in the Credit Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- (b) an **agreement** includes any legally binding arrangement, agreement, contract, deed or instrument (in each case whether oral or written);
- (c) an **amendment** includes any amendment, supplement, variation, waiver, novation, modification, replacement or restatement (however fundamental) and **amend** and **amended** shall be construed accordingly;
- (d) **assets** includes properties, assets, businesses, undertakings, revenues and rights of every kind (including uncalled share capital), present or future, actual or contingent, and any interest in any of the above;
- (e) a **consent** includes an authorisation, permit, approval, consent, exemption, licence, order, filing, registration, recording, notarisation, permission or waiver;
- (f) references to an Event of Default being **continuing** means that such Event of Default has occurred or arisen and has not been expressly remedied or has not been expressly waived in writing by the Administrative Agent or the applicable Lenders, in each case in accordance with, and to the extent permitted by, the terms of the Credit Agreement;

- (g) a **disposal** includes any sale, transfer, grant, lease, licence or other disposal, whether voluntary or involuntary and **dispose** will be construed accordingly;
- (h) **including** means including without limitation and **includes** and **included** shall be construed accordingly;
- (i) **indebtedness** includes any obligation (whether incurred as principal, guarantor or surety and whether present or future, actual or contingent) for the payment or repayment of money;
- (j) **losses** includes losses, actions, damages, payments, claims, proceedings, costs, demands, expenses (including legal and other fees) and liabilities of any kind and **loss** shall be construed accordingly;
- (k) a **person** includes any individual, trust, firm, fund, company, corporation, partnership, joint venture, government, state or agency of a state or any undertaking or other association (whether or not having separate legal personality) or any two or more of the foregoing; and
- (l) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having the force of law compliance with which is customary) of any governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- (m) In this Deed, unless a contrary intention appears:
 - (i) a reference to any person includes a reference to that person's permitted successors, assignees and transferees and, in the case of the Collateral Agent, any person for the time being appointed as Collateral Agent in accordance with the Credit Documents, and in the case of the Collateral Agent and any Receiver, any Delegate of the Collateral Agent or Receiver (as appropriate);
 - (ii) references to Clauses, Subclauses and Schedules are references to, respectively, clauses and subclauses of and schedules to this Deed and references to this Deed include its schedules;
 - (iii) a reference to (or to any specified provision of) any agreement is to that agreement (or that provision) as amended, restated or otherwise modified from time to time;
 - (iv) a reference to a statute, statutory instrument or provision of law is to that statute, statutory instrument or provision of law, as it may be applied, amended or re-enacted from time to time;
 - (v) the index to and the headings in this Deed are for convenience only and are to be ignored in construing this Deed;
 - (vi) references to "with full title guarantee" are to be construed as provided for in the Law of Property (Miscellaneous Provisions) Act 1994; and
 - (vii) words imparting the singular include the plural and vice versa.
- (n) The term:
 - certificated** has the meaning given to it in the Uncertificated Securities Regulations 2001; and
 - clearance system** means a person whose business is or includes the provision of clearance services or security accounts or any nominee or depository for that person.

- (o) Any covenant of a Chargor under this Deed (other than a payment obligation) remains in force during the Security Period and is given for the benefit of each Foreign Secured Party.
- (p) The terms of the other Credit Documents and of any side letters between any Parties in relation to any Credit Document (as the case may be) are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (q) This Deed shall continue to be effective, or be reinstated, as the case may be, if at any time any payment (or any part thereof) of any of the Secured Obligations is avoided, rescinded or must otherwise be restored or returned by the Collateral Agent or any other Foreign Secured Party, as though such payment had not been made.
- (r) Unless the context otherwise requires, a reference to a Security Asset or any type or description of a Security Asset includes:
 - (i) any part of that Security Asset; and
 - (ii) any present and future assets of that type.

1.3 **Third Party Rights**

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
- (b) Notwithstanding any term of this Deed, the consent of any third party is not required to rescind, vary, amend or terminate this Deed at any time.

2 Guarantee

2.1 **Guarantee**

Each Chargor irrevocably and unconditionally jointly and severally:

- (a) guarantees as principal obligor to each Foreign Secured Party due and punctual performance by each Foreign Credit Party of all of the Secured Obligations now or in the future due, owing or incurred by such Foreign Credit Party;
- (b) undertakes with each Foreign Secured Party that whenever another Foreign Credit Party does not pay or discharge any Secured Obligation now or in the future due, owing or incurred by that Foreign Credit Party, it shall immediately on the Collateral Agent's written demand pay or discharge such Secured Obligation as if it was the principal obligor; and
- (c) indemnifies each Foreign Secured Party immediately on written demand against any cost, loss or liability suffered by the Collateral Agent or other Foreign Secured Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which the Collateral Agent or such other Foreign Secured Party would otherwise have been entitled to recover.

2.2 **Continuing Guarantee**

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Foreign Credit Party under the Credit Documents, regardless of any intermediate payment or discharge in whole or in part.

2.3 Reinstatement

If any payment by a Foreign Credit Party or any discharge given by the Collateral Agent or other Foreign Secured Party (whether in respect of the obligations of any Foreign Credit Party or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of each Chargor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Collateral Agent and each other Foreign Secured Party shall be entitled to recover the value or amount of that security or payment from each Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

2.4 Waiver of defences

Without prejudice to Clause 24 (*Release*), the obligations of each Chargor under this Clause (*Guarantee*) will not be affected by an act, omission, matter or thing which, but for this Clause (*Guarantee*), would reduce, release or prejudice any of its obligations under this Clause (*Guarantee*) (without limitation and whether or not known to it or any Foreign Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any other Chargor or other person;
- (b) the release of any other Chargor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any other Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Chargor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Credit Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Credit Document or any other document or security; or
- (g) any insolvency or similar proceedings.

2.5 Demands

- (a) The making of one demand under Clause 2.1 (*Guarantee*) shall not preclude the Collateral Agent from making any further demands.
- (b) Any delay of the Collateral Agent in making a demand under Clause 2.1 (*Guarantee*) shall not be treated as a waiver of its rights to make such demand.

2.6 Chargor Intent

Without prejudice to the generality of Clause 2.4 (*Waiver of defences*), each Chargor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Credit Documents and/or any facility or amount made available under any of the Credit Documents for the

purposes of or in connection with any of the following: business acquisitions of any nature; general corporate purposes; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

2.7 **Immediate recourse**

Each Chargor waives any right it may have of first requiring the Collateral Agent or any other Foreign Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Clause 2 (*Guarantee*). This waiver applies irrespective of any law or any provision of a Credit Document to the contrary.

2.8 **Deferral of the Chargors' rights**

- (a) Until all amounts which may be or become payable by the Foreign Credit Parties under or in connection with the Credit Documents have been paid in full and unless the Collateral Agent otherwise directs (in which case it shall take such action as it is directed), no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Credit Documents:
 - (i) to be indemnified by another Foreign Credit Party;
 - (ii) to claim any contribution from any other Chargor of any Foreign Credit Party's obligations under the Credit Documents; and/or
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Foreign Secured Party under the Credit Documents or of any other guarantee or security taken pursuant to, or in connection with, the Credit Documents by any Foreign Secured Party.
- (b) If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Foreign Secured Parties by the Foreign Credit Parties under or in connection with the Credit Documents to be repaid in full on trust for the Foreign Secured Parties and shall promptly pay or transfer the same to the Collateral Agent or as the Collateral Agent may direct.

2.9 **Additional security**

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Foreign Secured Party.

2.10 **Credit Agreement**

The provisions of sections 2.8(b) (*Interest*) (with respect to Default Rate), 2.14 (*Incremental Credit Extensions*) and 14.4(c) (*Net Payments in Respect of Credit Extensions to the U.K. Borrower*) of the Credit Agreement are hereby incorporated, *mutatis mutandi*, and shall apply to this Deed, the Chargors, the Lenders and the Collateral Agent as if set forth herein (in each case, to the same extent as they would have applied to the relevant Chargor, Lender or Collateral Agent pursuant to the terms of the Credit Agreement).

2.11 **Guarantee limitations**

This guarantee does not apply to any liability to the extent that it would result in this guarantee constituting unlawful financial assistance within the meaning of sections 678 or 679 of the Companies Act 2006 or any equivalent and applicable provisions under the laws of the jurisdiction of incorporation of the relevant Chargor.

3 Creation of Security

3.1 General

- (a) All this Security:
 - (i) is created in favour of the Collateral Agent;
 - (ii) is security for the payment, discharge and performance of all the Secured Obligations; and
 - (iii) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) Each Chargor hereby acknowledges that all assets, right, interests and benefits which are now or in the future granted to the Collateral Agent pursuant to this Clause or otherwise mortgaged, charged, assigned or otherwise granted to it under this Deed (or any other document in connection herewith) and all other rights, powers and discretions granted to or conferred upon the Collateral Agent under this Deed or the other Credit Documents (or any other document in connection therewith) shall be held by the Collateral Agent on trust for the Foreign Secured Parties from time to time in accordance with section 14.4(d) (*Appointment of Collateral Agent as Security Trustee*) of the Credit Agreement.
- (c) The fact that no or incomplete details of any Security Asset are inserted in Schedule 1 (*Security Assets*) does not affect the validity or enforceability of this Security.
- (d) Any Security Interest granted by Avaya Ireland pursuant to this Deed shall be limited to all of the assets of Avaya Ireland which are located or otherwise situated in England and Wales or which are governed, expressly or by operation of law or otherwise, by English law (any such assets being **English Assets**).

3.2 Investments

- (a) Each Chargor charges by way of a first fixed charge its interest in all shares, stocks, debentures, bonds, warrants, coupons or other securities and investments (including all Cash Equivalents) owned by it or held by any nominee on its behalf.
- (b) A reference in this Deed to any share, stock, debenture, bond, warrant, coupon or other security or investment includes:
 - (i) any dividend, interest or other distribution paid or payable;
 - (ii) any right, money or property accruing, derived, incidental or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;
 - (iii) any right against any clearance system;
 - (iv) any Related Rights; and
 - (v) any right under any custodian or other agreement,in relation to that share, stock, debenture, bond, warrant, coupon or other security or investment.

3.3 **Plant and machinery**

Each Chargor charges by way of a first fixed charge all plant, machinery, computers and office equipment (or any interest therein) owned by it (excluding any equipment that is leased).

3.4 **Credit balances**

Each Chargor charges by way of a first fixed charge all of its rights in respect of each amount standing to the credit of each account held with any person, in England and Wales, and the debt represented by that account.

3.5 **Book debts**

Each Chargor charges by way of a first fixed charge:

- (a) all of its book and other debts;
- (b) all other moneys due and owing to it; and
- (c) the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any item under paragraphs (a) or (b) above.

3.6 **Insurance Policies**

- (a) Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all amounts payable to it under or in connection with each of its Insurance Policies and all of its rights in connection with those amounts.
- (b) To the extent that they are not effectively assigned under paragraph (a) above, each Chargor charges by way of a first fixed charge all amounts and rights described in paragraph (a) above.

3.7 **Assigned Contracts**

- (a) Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of its Assigned Contracts.
- (b) To the extent that any such right described in paragraph (a) above is not assignable or capable of assignment, the assignment of that right purported to be effected by paragraph (a) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right.

3.8 **Miscellaneous**

Each Chargor charges by way of a first fixed charge:

- (a) any beneficial interest, claim or entitlement it has to any assets of any pension fund;
- (b) its goodwill;
- (c) the benefit of any authorisation (statutory or otherwise) held in connection with its business or the use of any Security Asset;
- (d) the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in paragraph (c) above; and
- (e) its uncalled capital.

3.9 Floating charge

- (a) Each Chargor charges by way of a floating charge all of its assets whatsoever and wheresoever not otherwise effectively mortgaged, charged or assigned under this Deed.
- (b) Except as provided in paragraph (c) below, the Collateral Agent may by notice to a Chargor convert the floating charge created by that Chargor under this Deed into a fixed charge as regards any of that Chargor's assets specified in that notice if an Event of Default has occurred and is continuing.
- (c) The floating charge created under this Deed may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,
 - (iii) under section 1A of the Insolvency Act 1986 or under the Insolvency Act 2000.
- (d) The floating charge created under this Deed will (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge over all of each Chargor's assets:
 - (i) if an administrator is appointed in respect of any Chargor or the Collateral Agent receives notice of an intention to appoint an administrator in respect of any Chargor; or
 - (ii) on the convening of any meeting of the members of that Chargor to consider a resolution to wind up (or not wind up) that Chargor unless permitted under section 10.3 (*Limitation on Fundamental Changes*) of the Credit Agreement.
- (e) The floating charge created under this Deed is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (f) The giving by the Collateral Agent of a notice under paragraph (b) above in relation to any asset of a Chargor will not be construed as a waiver or abandonment of the Collateral Agent's rights to give any other notice in respect of any other asset or of any other right of any other Foreign Secured Party under this Deed or any other Credit Document.
- (g) Any charge which has been converted into a fixed charge in accordance with paragraphs (b) or (d) above may, by notice in writing given at any time by the Collateral Agent to the relevant Chargor, be reconverted into a floating charge in relation to the Security Assets specified in such notice.

4 PSC Register

4.1 Issued warning notice or restrictions notice

At any time following an Event of Default and following receipt of a request from the Collateral Agent, each Chargor shall promptly:

- (a) notify the Collateral Agent if it has issued any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any shares which are Security Assets which has not been withdrawn; and
- (b) (if available) provide to the Collateral Agent a copy of any such warning notice or restrictions notice.

4.2 **Warning notice or restrictions notice to be issued**

Each Chargor shall promptly following an Enforcement Event which has resulted in the Administrative Agent taking steps to exercise any of its rights to accelerate any of the Secured Obligations under the Credit Agreement:

- (a) notify the Collateral Agent of its intention to issue any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any shares which are Security Assets; and
- (b) provide to the Collateral Agent a copy of any such warning notice or restrictions notice, in each case before it issues any such notice.

4.3 **Withdrawing any restrictions notice**

For the purposes of withdrawing any restrictions notice or for any application (or similar) to the court under Schedule 1B of the Companies Act 2006, in each case, in connection with an enforcement of security under and in accordance with this Deed, each Chargor shall provide such assistance as the Collateral Agent may reasonably request in respect of any shares which constitute Security Assets and provide the Collateral Agent with all information, documents and evidence in its possession or control that it may request in connection with the same.

5 Representations - General

5.1 **Nature of security**

Each Chargor represents and warrants to each Foreign Secured Party that subject to the Foreign Legal Reservations and Foreign Perfection Requirements:

- (a) this Deed creates those Security Interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise;
- (b) all actions and consents including all filings, notices, registrations and recordings necessary for the exercise by the Collateral Agent of the voting or other rights provided for in this Deed or the exercise of remedies in respect of the Security Assets have been made or will be obtained within periods required to perfect the Security (except that there is no requirement to take any perfection steps in respect of Security Interests granted in relation to motor vehicles, intellectual property or real estate until such time as instructed to do so in writing by the Collateral Agent whilst an Enforcement Event exists) as against any third party; and
- (c) Schedule 1 (*Security Assets*) properly identifies:
 - (i) in Part 1 thereof, all Charged Shares and other shares, stocks, debentures, bonds, warrants, coupons and other securities and investments owned by the Chargors in the Territory at the date of this Deed;
 - (ii) in Part 2 thereof, other than any Excluded Accounts existing on the date of this Deed, all bank accounts held by the Chargors in England and Wales on the date of this Deed and Avaya UK has no other bank accounts and Avaya Ireland has no other bank accounts that are not secured in favour of the Foreign Secured Parties pursuant to another Collateral Document in force on the date of this Deed, other than any Excluded Accounts.

5.2 **Times for making representations and warranties**

- (a) The representations and warranties set out in this Deed (including in this Clause) are made by each Chargor on the date of this Deed.

- (b) Each representation and warranty under this Deed is deemed to be repeated by each Chargor on the date of each Credit Extension to a Foreign Borrower under a Credit Document (other than any Protective Advance and any conversion of Loans to the other Type or a continuation of LIBOR Loans, CDOR Loans or EURIBOR Loans).
- (c) When a representation and warranty is deemed to be repeated, it is deemed to be made by reference to the circumstances existing at the time of repetition provided that, to the extent that any representation and warranty specifically refers to an earlier date, it shall be made by reference to such earlier date.

6 Restrictions on dealings

No Chargor may:

- (a) create or permit to subsist any Security Interest on any of its assets; or
- (b) either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily sell, lease, transfer, redeem or otherwise dispose of all or any part of its assets,

unless permitted by the Credit Agreement.

7 Investments

7.1 Investments

Each Chargor represents and warrants to each Foreign Secured Party that:

- (a) its Investments are duly authorised, validly issued and fully paid;
- (b) its Investments are not subject to any Security Interest, any option to purchase or similar right, in each case, other than as permitted by the Credit Agreement;
- (c) it is the sole legal and beneficial owner of its Investments (save for any Investments acquired by or issued to that Chargor after the date of this Deed that are held by any nominee on its behalf or any Investments transferred to the Collateral Agent or its nominee pursuant to this Deed);
- (d) each Charged Company is a company incorporated with limited liability; and
- (e) the constitutional documents of each Charged Company do not restrict or inhibit any transfer of those shares on creation or enforcement of this Security.

7.2 Certificated Investments

- (a) Each Chargor must:
 - (i) deposit with the Collateral Agent, or as the Collateral Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to any Investment, immediately in respect of any Investment subject to this Security on the date of this Deed (unless the relevant Chargor has already done so prior to the date of this Deed) and thereafter as soon as practicable (and in any event, within 60 days after the date of acquisition thereof or such longer period as to which the Collateral Agent may agree in its reasonable discretion) following the acquisition by, or the issue to, that Chargor of any certificated Investment (unless the same is required for registering any transfer, in which case the relevant Chargor must deposit the same immediately after such registration is completed); and

- (ii) as soon as practicable (and in any event within 10 Business Days' of any request) take any action and execute and deliver to the Collateral Agent any share transfer or other document which may reasonably be requested by the Collateral Agent in order to (whilst an Enforcement Event exists) enable the transferee to be registered as the owner or otherwise obtain (whilst an Enforcement Event exists) a legal title to that Investment, which includes delivering all stock transfer forms (executed and left undated) in favour of the Collateral Agent or any of its nominees as transferee or, if the Collateral Agent so directs, with the transferee left blank.
- (b) The Collateral Agent may whilst an Enforcement Event exists complete the instruments of transfer on behalf of the Chargor in favour of itself or such other person as it shall select.

7.3 **Calls**

- (a) Each Chargor must pay all calls and other payments due and payable in respect of any of its Investments.
- (b) If a Chargor fails to do so, the Collateral Agent may (at its discretion) pay those calls or other payments on behalf of that Chargor. That Chargor must within 10 Business Days of written request reimburse the Collateral Agent for any payment made by the Collateral Agent under this Subclause and, pending reimbursement, that payment will constitute part of the Secured Obligations.

7.4 **Other obligations in respect of Investments**

- (a) It is acknowledged and agreed that notwithstanding anything to the contrary contained in this Deed, each Chargor shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of any of its Investments.
- (b) No Foreign Secured Party will be required in any manner to:
 - (i) perform or fulfil any obligation of a Chargor;
 - (ii) make any payment;
 - (iii) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor;
 - (iv) present or file any claim or take any other action to collect or enforce the payment of any amount; or
 - (v) take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise,

in respect of any Investment.

7.5 **Voting rights**

- (a) Unless an Event of Default is continuing, each Chargor may continue to exercise the voting rights, powers and other rights in respect of its Investments for any purpose consistent with the terms of this Deed, the Credit Agreement and the other Credit Documents provided that such rights and powers shall not be exercised in any manner, except as is permitted under the Credit Agreement, that would materially and adversely affect the rights and remedies of the Collateral Agent or the other Foreign Secured Parties under this Deed, the Credit Agreement or any other Credit Document or the ability of the Foreign Secured Parties to exercise the same.

- (b) Subject to the terms of the Credit Agreement, unless an Event of Default has occurred and is continuing, and the Collateral Agent shall have notified each Chargor of the suspension of the rights of the Chargors under this Clause, all dividends or other income or distributions paid or payable in relation to any Investments must be paid to the relevant Chargor. To achieve this:
 - (i) the Collateral Agent or its nominee will promptly execute any dividend mandate necessary to ensure that payment is made direct to the relevant Chargor; or
 - (ii) if payment is made directly to the Collateral Agent (or its nominee) at a time when an Event of Default is not continuing, the Collateral Agent (or that nominee) will promptly pay that amount to the relevant Chargor.
- (c) Whilst an Enforcement Event exists, and following notice to the applicable Chargor that the rights of the Chargor under this Clause 7.5 (*Voting rights*) are suspended, the Collateral Agent or its nominee may exercise or refrain from exercising:
 - (i) any voting rights; and
 - (ii) any other powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise,

in each case, in the name of the relevant Chargor, the registered holder or otherwise and without any further consent or authority on the part of the relevant Chargor and irrespective of any direction given by any Chargor.
- (d) To the extent that the Investments remain registered in the names of the Chargors, each Chargor irrevocably appoints the Collateral Agent or its nominee as its proxy to exercise all voting rights in respect of those Investments whilst an Event of Default is continuing.
- (e) Each Chargor must indemnify the Collateral Agent against any loss or liability incurred by the Collateral Agent as a consequence of the Collateral Agent acting in respect of its Investments on the direction of that Chargor, save to the extent that such loss or liability resulted from the gross negligence, bad faith or wilful misconduct of, or breach of any obligation under any Credit Document by, the Collateral Agent, as determined by the final, non-appealable judgment of a court of competent jurisdiction.

7.6 Clearance systems

- (a) Whilst an Enforcement Event exists, each Chargor must, if so requested by the Collateral Agent:
 - (i) instruct any clearance system to transfer any Investment held by it for that Chargor or its nominee to an account of the Collateral Agent or its nominee with that clearance system; and
 - (ii) take whatever action the Collateral Agent may request for the dematerialisation or rematerialisation of any Investments held in a clearance system.
- (b) Whilst an Enforcement Event exists, without prejudice to the rest of this Subclause the Collateral Agent may, at the expense of the relevant Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Investments as necessary.

8 Accounts

8.1 Accounts

Except as otherwise permitted by the Credit Agreement, all Security Accounts must be maintained at a branch of the Account Bank approved by the Collateral Agent (those listed in Part 2 of Schedule 1 being approved by the Collateral Agent's execution of this Deed).

8.2 **Change of Account Bank**

- (a) Any Account Bank may be changed to another bank and additional banks may be appointed as Account Banks if the Collateral Agent so agrees, or as otherwise permitted by the Credit Agreement.
- (b) Without prejudice to Clause 8.2(a), a Chargor may only open an account with a new Account Bank after the proposed new Account Bank agrees with the Collateral Agent and the relevant Chargor, in a manner satisfactory to the Collateral Agent (acting reasonably), to fulfil the role of the Account Bank under this Deed, provided that this paragraph (b) shall not apply to Excluded Accounts.
- (c) No Chargor shall, during the continuance of this Deed, without the Collateral Agent's prior consent, permit or agree to any variation of the rights attaching to any Security Account or close any Security Account except in accordance with section 9.16(d) (*Cash Management Systems*) of the Credit Agreement.

8.3 **Book debts and receipts**

In respect of amounts receivable by a Chargor, each Chargor must comply with section 9.16 (*Cash Management Systems*) of the Credit Agreement.

8.4 **Withdrawals**

- (a) Whilst:
 - (i) a Specified Event of Default is continuing, in the case of a Security Account that is a cash pooling account; or
 - (ii) during the continuance of a Cash Dominion Period, in the case of other Security Accounts,the Collateral Agent (or a Receiver) may withdraw amounts standing to the credit of any Security Account for application in accordance with the Credit Agreement.
- (b) The Collateral Agent may only give instructions to Account Banks, as referred to in paragraph 1(b) in the form of notice set out in Part 1 of Schedule 2 whilst:
 - (i) a Specified Event of Default is continuing, in the case of instructions to any Account Banks with whom any Security Account that is a cash pooling account is held; or
 - (ii) during the continuance of a Cash Dominion Period, in the case of any Account Banks with whom any other Security Account is held,and, notwithstanding the foregoing, the Collateral Agent agrees that it shall not deliver any instructions to any account bank in respect of Excluded Accounts.
- (c) Each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time standing to the credit of any Security Account except:
 - (i) whilst a Specified Event of Default is continuing, in the case of a Security Account that is a cash pooling account, or during the continuance of a Cash Dominion Period, in the case of any other Security Account; or

- (ii) otherwise prohibited by section 9.16 (*Cash Management Systems*) of the Credit Agreement,

in which case, the Chargor shall not be so entitled without the prior written consent of the Collateral Agent.

- (d) Each Chargor must ensure that none of its Security Accounts is overdrawn at any time other than in accordance with any Cash Management Document or as not prohibited by the Credit Agreement.
- (e) Each Chargor must exercise reasonable endeavours to ensure that each Account Bank operates each Security Account in accordance with the terms of this Deed and the notices given under Clause 8.5 or as otherwise permitted by the Credit Agreement.

8.5 Notices of charge

- (a) Subject to the terms of the Credit Agreement, each Chargor must:
 - (i) immediately (or within such longer period as provided for in the Credit Agreement) give notice to each relevant Account Bank with whom a Security Account listed in Part 2(A) of Schedule 1 is held, substantially in the form of Part 1 of Schedule 2 (*Forms of letter for Security Accounts*); and
 - (ii) procure that each relevant Account Bank in respect of Security Accounts existing on the Closing Date, acknowledges that notice substantially in the form of Part 2 of Schedule 2 (*Forms of letter for Security Accounts*) within 14 days of the date of this Deed or such longer period as provided for in the Credit Agreement.
- (b) Each Chargor agrees that it shall, in connection with any amendment of the instructions to the Account Bank:
 - (i) as soon as practicable following request by the Collateral Agent provide a revised or supplemental notice to each relevant Account Bank in a form and substance satisfactory to the Collateral Agent (acting reasonably); and
 - (ii) use reasonable endeavours to procure that each relevant Account Bank acknowledges any amended notice delivered pursuant to paragraph (b)(i) above within 14 days of such notice. Notwithstanding the foregoing, if the Chargor has used reasonable endeavours but has not been able to obtain the acknowledgement, its obligation to obtain the acknowledgement shall cease on expiry of that 14-day period.

9 Assigned Contracts

Each Chargor must supply the Collateral Agent and any Receiver with copies of each of its Assigned Contracts and any information and documentation relating to any of its Assigned Contracts if reasonably requested by the Collateral Agent or any Receiver after an Event of Default which is continuing (subject to any confidentiality obligation binding on the relevant Chargor).

10 Plant and Machinery

Except if the failure to do so would not reasonably be expected to have a Material Adverse Effect, each Chargor must take commercially reasonable steps to keep its Plant and Machinery in good repair and in good working order and condition, ordinary wear and tear excepted and casualty or condemnation excepted and consistent with past practice.

11 Insurance Policies

11.1 Rights

- (a) If an Event of Default is continuing:
 - (i) the Collateral Agent may exercise (without any further consent or authority on the part of any Chargor and irrespective of any direction given by any Chargor) any of the rights of any Chargor in connection with any amounts payable to it under any of its Insurance Policies;
 - (ii) each Chargor must take such steps (at its own cost) as the Collateral Agent may require to enforce those rights; this includes initiating and pursuing legal or arbitration proceedings in the name of that Chargor; and
 - (iii) each Chargor must hold any payment received by it under any of its Insurance Policies on trust for the Collateral Agent.

11.2 Notice

Each Chargor must:

- (a) as soon as practicable give notice of this Deed to each of the other parties to each of the Insurance Policies by sending a notice substantially in the form of Part 1 of Schedule 3 (*Insurance Policies*); and
- (b) use commercially reasonable endeavours to procure that each such other party delivers a letter of acknowledgement to the Collateral Agent substantially in the form of Part 2 of Schedule 3 (*Insurance Policies*) within 45 days of the date of this Deed or, if later, the date of entry into that Insurance Policy (as appropriate). Notwithstanding the foregoing, if the Chargor has used reasonable endeavours but has not been able to obtain the acknowledgements, its obligation to obtain the acknowledgement shall cease on expiry of that 45-day period.

12 When Security becomes enforceable

12.1 Timing

This Security will become immediately enforceable if an Event of Default is continuing.

12.2 Enforcement

After this Security has become enforceable in accordance with Clause 12.1(*Timing*), the Collateral Agent may in its absolute discretion enforce all or any part of this Security (1) in any manner it sees fit in accordance with the Credit Documents or (2) as the Required Lenders or all of the Lenders, as applicable, direct in accordance with the Credit Agreement.

13 Enforcement of Security

13.1 General

- (a) The power of sale and any other power conferred on a mortgagee by law (including under section 101 of the Act) as varied or amended by this Deed will be immediately exercisable at any time after this Security has become enforceable in accordance with Clause 12.1 (*Timing*).
- (b) For the purposes of all powers implied by law, the Secured Obligations are deemed to have become due and payable on the date of this Deed.

- (c) Any restriction imposed by law on the power of sale (including under section 103 of the Act) or the right of a mortgagee to consolidate mortgages (including under section 93 of the Act) does not apply to this Security or to the exercise by the Collateral Agent of its right to consolidate all or any of the Security with any other security in existence at the time or to its power of sale, which powers may be exercised by the Collateral Agent without notice to the Chargor on or at any time after this Security has become enforceable.
- (d) Any powers of leasing conferred on the Collateral Agent by law are extended so as to authorise the Collateral Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Collateral Agent may think fit and without the need to comply with any restrictions conferred by law (including under section 99 or 100 of the Act).

13.2 **No liability as mortgagee in possession**

Neither the Collateral Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset:

- (a) to account as mortgagee in possession or for any loss on realisation; or
- (b) for any neglect, default or omission in connection with a Security Asset for which a mortgagee in possession might otherwise be liable, save as regards the Collateral Agent, to the extent such loss or liability resulted from the gross negligence, bad faith or wilful misconduct of the Collateral Agent, as determined by the final, non-appealable judgment of a court of competent jurisdiction.

13.3 **Privileges**

Each Receiver and the Collateral Agent is entitled to all the rights, powers, privileges and immunities conferred by law (including the Act) on mortgagees and receivers duly appointed under any law (including the Act).

13.4 **Protection of third parties**

- (a) No person (including a purchaser) dealing with the Collateral Agent or a Receiver or its or his agents will be concerned to enquire:
 - (i) whether the Secured Obligations have become payable;
 - (ii) whether any power which the Collateral Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
 - (iii) whether any money remains due under the Credit Documents; or
 - (iv) how any money paid to the Collateral Agent or to that Receiver is to be applied.
- (b) The receipt of the Collateral Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Collateral Agent or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

13.5 **Redemption of prior mortgages**

- (a) At any time after this Security has become enforceable in accordance with Clause 12.1 (*Timing*), the Collateral Agent may:
 - (i) redeem any prior Security Interest against any Security Asset; and/or
 - (ii) procure the transfer of that Security Interest to itself; and/or

- (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor.
- (b) Each Chargor must pay to the Collateral Agent, promptly following receipt by the applicable Chargor of an invoice relating thereto setting forth such costs and expenses in reasonable detail, the documented out-of-pocket costs and expenses incurred by the Collateral Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest and, pending reimbursement, that payment will constitute part of the Secured Obligations.

13.6 Contingencies

If this Security is enforced at a time when no amount is due under the Credit Documents but at a time when amounts may or will become due, the Collateral Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into such number of suspense accounts as it considers appropriate.

14 Administrator

14.1 Appointment of Administrator

- (a) Subject to the Insolvency Act 1986, at any time and from time to time after this Security becomes enforceable in accordance with Clause 12.1 (*Timing*), or if any Chargor so requests the Collateral Agent in writing from time to time, the Collateral Agent may appoint any one or more qualified persons to be an Administrator of that Chargor, to act together or independently of the other or others appointed (to the extent applicable).
- (b) Any such appointment may be made pursuant to an application to court under paragraph 12 of Schedule B1 of the Insolvency Act 1986 (Administration application) or by filing specified documents with the court under paragraphs 14 - 21 of Schedule B1 of the Insolvency Act 1986 (Appointment of administrator by holder of floating charge).
- (c) In this clause **qualified person** means a person who, under the Insolvency Act 1986, is qualified to act as an Administrator of any company with respect to which he is appointed.

15 Receiver

15.1 Appointment of Receiver

- (a) Except as provided below and subject to the Insolvency Act 1986 other than as provided below, the Collateral Agent may, without prior notice to the Chargors, appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable in accordance with Clause 12.1 (*Timing*); or
 - (ii) a Chargor so requests the Collateral Agent in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Collateral Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with the leave of the court.

- (e) The Collateral Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Collateral Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

15.2 **Removal**

The Collateral Agent may by writing under its hand (subject to any requirement *for an* order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

15.3 **Remuneration**

The Collateral Agent may fix the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) of the Act) will not apply.

15.4 **Agent of each Chargor**

- (a) A Receiver will be deemed to be the agent of the relevant Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The relevant Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of, and remuneration payable to, a Receiver and for liabilities incurred by a Receiver.
- (b) No Foreign Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

15.5 **Relationship with Collateral Agent**

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable in accordance with Clause 12.1 (*Timing*) be exercised by the Collateral Agent in relation to any Security Asset without first appointing a Receiver or notwithstanding the appointment of a Receiver.

16 **Powers of Receiver**

16.1 **General**

- (a) A Receiver has all the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law. This includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time; each Receiver may (unless the document appointing him states otherwise) exercise all the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

16.2 **Possession**

A Receiver may take immediate possession of, get in and collect any Security Asset (including income accrued from time to time).

16.3 **Calls**

A Receiver may make, or require the directors of a Chargor to make, calls upon the holders of share capital of a Chargor which remains uncalled and to enforce payment of such calls and any previous unpaid calls by taking proceedings.

16.4 **Carry on business**

A Receiver may carry on any business of any Chargor in any manner he thinks fit.

16.5 **Employees**

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by any Chargor and employ, engage, dismiss or vary the terms of employment or engagement of employees, workmen, servants, officers, managers, agents and advisers on such terms as to remuneration and otherwise as he shall think fit including power to engage his own firm in the conduct of the receivership.

16.6 **Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

16.7 **Redemption of security**

A Receiver may redeem, discharge or compromise any security whether or not having priority to all or any part of the security constituted pursuant to this Deed.

16.8 **Covenants, guarantees and indemnities**

A Receiver may enter into such bonds, covenants, guarantees, commitments, indemnities and other obligations or liabilities as he shall think fit and make all payments needed to effect, maintain or satisfy such obligations or liabilities.

16.9 **Sale of assets**

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

16.10 **Contracts**

A Receiver may enter into any contract or arrangement and perform, repudiate, rescind or vary any contract to which a Chargor is a party.

16.11 **Acquisitions**

A Receiver may purchase, lease, hire or acquire any assets or rights which he shall in his absolute discretion consider necessary or desirable for the carrying on, improvement or

realisation of, or for the benefit of, the whole or any part of the Security Assets or the business of a Chargor.

16.12 **Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset.

16.13 **Legal actions**

A Receiver may bring, prosecute, enforce, defend, negotiate and abandon any action, suit or proceedings in connection with the business of a Chargor, all or any party of any Security Asset or this Security which he thinks fit.

16.14 **Receipts**

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

16.15 **Subsidiaries**

A Receiver may form a Subsidiary of any Chargor and supervise, control and finance any existing or new Subsidiary of that Chargor and transfer to that Subsidiary any Security Asset.

16.16 **Delegation**

A Receiver may delegate his powers in accordance with this Deed.

16.17 **Lending**

A Receiver may lend money or advance credit to any customer of any Chargor.

16.18 **Protection of assets**

A Receiver may:

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation;
- (c) apply for and maintain any planning permission, building regulation approval or any other authorisation; and
- (d) effect, maintain or renew indemnity and other insurances and to obtain bonds and performance guarantees

in each case as he thinks fit.

16.19 **Other powers**

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or by law;

- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- (c) use the name of any Chargor for any of the above purposes.

17 Application of Proceeds

- (a) All moneys from time to time received or recovered by the Collateral Agent or any Receiver in connection with the realisation or enforcement of all or any part of the Security shall be held by the Collateral Agent on trust for the Foreign Secured Parties from time to time in accordance with section 14.4(d) (*Appointment of Collateral Agent as Security Trustee*) of the Credit Agreement to apply them in accordance with the terms of the Credit Agreement.
- (b) This Clause does not prejudice the right of any Foreign Secured Party to recover any shortfall from a Foreign Credit Party.

18 Taxes, expenses and indemnity

- (a) Each Chargor must pay, or on an indemnity basis reimburse, any and all amounts for which it is liable in accordance with, and solely to the extent required by, sections 2.8 (*Interest*), 13.5 (*Payment of Expenses; Indemnification*), 13.20 (*Judgment Currency*) and 14.4(c) (*Net Payments in Respect of Credit Extensions to the U.K. Borrower*) of the Credit Agreement.
- (b) Any amount due but unpaid shall carry interest at the rate and on the basis mentioned in Clause 23.1 (*Interest*).

19 Delegation

19.1 Power of Attorney

The Collateral Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such right, power or discretion by the Collateral Agent or any Receiver itself.

19.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Collateral Agent or any Receiver may think fit.

19.3 Liability

Neither the Collateral Agent nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate or sub-delegate, save as regards the Collateral Agent, to the extent such loss or liability resulted from the gross negligence, bad faith or wilful misconduct of the Collateral Agent, as determined by the final, non-appealable judgment of a court of competent jurisdiction.

19.4 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Collateral Agent or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

20 Further Assurances

Subject to the other provisions of this Deed, and the provisions of the Credit Agreement, each Chargor must, at its own expense, take whatever action the Collateral Agent or a Receiver may reasonably require for:

- (a) creating, perfecting or protecting any security intended to be created by or pursuant to this Deed (including procuring that any third party creates a Security Interest in favour of the Collateral Agent over any Security Asset to which it holds the legal title as trustee, nominee or agent);
- (b) following an Enforcement Event facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of any right, power or discretion exercisable by the Collateral Agent or any Receiver in respect of any Security Asset; or
- (d) creating and perfecting security in favour of the Collateral Agent (equivalent to the security intended to be created by this Deed) over any assets of:
 - (i) Avaya UK, whether or not they are English Assets; and
 - (ii) Avaya Ireland, to the extent such assets are English Assets.

This includes:

- (i) the re-execution of this Deed;
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Collateral Agent or to its nominee; and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Collateral Agent may think expedient (acting reasonably).

21 Power of Attorney

Each Chargor, by way of security, irrevocably appoints the Collateral Agent and each Receiver to be its attorney to take any action which that Chargor is obliged to take under this Deed but which it has failed to take when required to do so under this Deed within 5 Business Days of request by the Collateral Agent. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

22 Preservation of Security

22.1 Continuing security

This Security is a continuing security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

22.2 Reinstatement

- (a) If any discharge (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) or arrangement is made in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of each Chargor under this Deed will continue or be reinstated as if the discharge or arrangement had not occurred.

- (b) Each Foreign Secured Party may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

22.3 **Waiver of defences**

Without prejudice to Clause 24 (*Release*), the obligations of each Chargor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it or any Foreign Secured Party). This includes:

- (a) any time, waiver or consent granted to, or composition with, any person;
- (b) any release of any other person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any other person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (f) any amendment (however fundamental) or replacement of a Credit Document or any other document or security or of the Secured Obligations;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Credit Document or any other document or security or of the Secured Obligations the failure by any member of the Group to enter into or be bound by any Credit Document; or
- (h) any insolvency or similar proceedings or any winding up, dissolution administration, or re-organisation or other change in a Chargor or any other person.

22.4 **Immediate recourse**

Each Chargor waives any right it may have of first requiring any Foreign Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other right or security or claim payment from any person or file any proof or claim in any insolvency, administration, winding-up or liquidation proceedings relative to any other Foreign Credit Party or any other person before claiming from that Chargor under this Deed.

22.5 **Appropriations**

Until the Discharge Date, each Foreign Secured Party (or any trustee or agent on its behalf) may without affecting the liability of any Chargor under this Deed:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Foreign Secured Party (or any trustee or agent on its behalf) against those amounts;
- (b) apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise; and
- (c) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of that Chargor's liability under this Deed.

22.6 **Non-competition**

Unless:

- (a) the Discharge Date has occurred; or
- (b) the Collateral Agent otherwise directs,

no Chargor will, after a claim has been made or by virtue of any payment or performance by it under this Deed:

- (i) be subrogated to any rights, security or moneys held, received or receivable by any Foreign Secured Party (or any trustee or agent on its behalf);
- (ii) be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of that Chargor's liability under this Clause;
- (iii) claim, rank, prove or vote as a creditor of any Foreign Credit Party or its estate in competition with any Foreign Secured Party (or any trustee or agent on its behalf); or
- (iv) receive, claim or have the benefit of any payment, distribution or security from or on account of any Foreign Credit Party, or exercise any right of set-off as against any Foreign Credit Party.

Each Chargor must hold on trust for and must immediately pay or transfer to the Collateral Agent for the Foreign Secured Parties any payment or distribution or benefit of security received by it contrary to this Clause or in accordance with any directions given by the Collateral Agent under this Clause.

22.7 **Additional security**

- (a) This Deed is in addition to and is not in any way prejudiced by any other security now or subsequently held by any Foreign Secured Party.
- (b) No prior security held by any Foreign Secured Party (in its capacity as such or otherwise) over any Security Asset will merge into this Security.

22.8 **No Prejudice**

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

22.9 **Remedies and Waivers**

No failure on the part of the Collateral Agent to exercise, or any delay on its part in exercising, any rights under this Security shall operate as a waiver of that right, nor shall any single or partial exercise of any right under this Security preclude any further or other exercise of that or any other right under this Security.

22.10 **Partial Invalidity**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Security is invalid,

unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security.

22.11 **Deferral of Rights**

Until the Discharge Date, a Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

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

22.12 **Security held by Chargor**

No Chargor may, without the prior consent of the Collateral Agent, hold any security from any other Foreign Credit Party in respect of that Chargor's liability under this Deed. Each Chargor will hold any security held by it in breach of this provision on trust for the Collateral Agent.

23 Miscellaneous

23.1 **Interest**

If a Chargor fails to pay any sums on the due date for payment of that sum the Chargor shall pay interest on such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on that sum) in accordance with the provisions of section 2.8 (*Interest*) of the Credit Agreement.

23.2 **New Accounts**

- (a) If any subsequent charge or other interest affects any Security Asset, any Foreign Secured Party may open a new account with any Foreign Credit Party.
- (b) If a Foreign Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to that Foreign Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Obligation.

23.3 **Time deposits**

Without prejudice to any right of set-off any Foreign Secured Party may have under any Credit Document or otherwise, if any time deposit matures on any account a Chargor has with any Foreign Secured Party within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Obligation is due and payable,

that time deposit will automatically be renewed for any further maturity which that Foreign Secured Party in its absolute discretion considers appropriate unless that Foreign Secured Party otherwise agrees in writing.

23.4 Notice of assignment

This Deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other member of the Group and contained in any Credit Document.

23.5 Perpetuity period

The perpetuity period for the trusts in this Deed is 125 years.

23.6 Financial Collateral

- (a) To the extent that the assets mortgaged or charged under this Deed constitute "financial collateral" and this Deed and the obligations of any Chargor under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003 No. 3226)) the Collateral Agent shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (b) For the purpose of paragraph (a) above, the value of the financial collateral appropriated shall be (i) in the case of cash, the amount standing to the credit of each of the Security Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and (ii) in the case of any other asset, such amount as the Collateral Agent may determine having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it. In each case, the parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

24 Release

- (a) At the end of the Security Period (or as required under the Credit Documents), the Collateral Agent must, at the request and cost of the Chargors, take whatever action is reasonably necessary and within its power to release the relevant Security Assets (whether in whole or in part) from this Security subject to paragraph (b) below and revoke the power of attorney granted to it pursuant to Clause 21 (*Power of Attorney*).
- (b) If any discharge or release of any Chargor of its obligations under this Deed and/or of this Security is made in whole or in part on the faith of any payment, security or other disposition which is avoided, rescinded or must be restored or returned, the liability of each Chargor under this Deed and the Security will continue or be reinstated as if the discharge or release had not occurred.

25 Counterparts

This Deed may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument.

26 Notices

26.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by email, fax or letter.

26.2 Addresses

- (a) Any notice or other communication herein required or permitted to be given to a party to this Deed shall be sent to the relevant party's address set out in Subclause (b) or as set forth in the Credit Agreement or any substitute address, email, fax number or department or officer as the relevant party may notify to the Collateral Agent (or the Collateral Agent may notify to the other parties, if a change is made by the Collateral Agent) by not less than five business days' notice.
- (b) For the purposes of Subclause (a), the contact details of each Chargor shall be as follows:

Avaya UK

To:

Legal Department (UK)

Ena Hunter - Corporate Counsel, UK and Ireland
Avaya House
Cathedral Hill
Guildford
Surrey GU2 7YL

Tel: 01483 308332

Email: ehunter@avaya.com

with a copy to:

Legal Department (US)

Adele Freedman, VP and Deputy GC
c/o Avaya Inc.
4655 Great American Parkway
Santa Clara, CA 95054

Tel: (408) 562-3400

Email: afreedman@avaya.com

Avaya Ireland

To:

Unit 25-29 Mervue Business Park
Galway
H91 A0H2
Ireland
Attention: Michael Murray

Email: mmurray@avaya.com

with a copy to:

Legal Department (US)

Adele Freedman, VP and Deputy GC
c/o Avaya Inc.
4655 Great American Parkway Santa Clara, CA 95054

Tel: (408) 562-3400

Email: afreedman@avaya.com

Legal Department (UK)

Ena Hunter - Corporate Counsel, UK and Ireland

Avaya House
Cathedral Hill
Guildford
Surrey GU2 7YL

Tel: 01483 308332

Email: ehunter@avaya.com

26.3 **Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of fax or email, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or, as the case may be, five days after being deposited in the post postage prepaid in an envelope addressed to it at that address.
- (b) Any communication or document to be made or delivered to the Collateral Agent under or in connection with this Deed shall be effective only when actually received by the Collateral Agent and then only if it is expressly marked for the attention of the department or officer identified with the Collateral Agent's communication details (or any substitute department or officer as the Collateral Agent shall specify for this purpose).

26.4 **Notification of address, fax number and email address**

Promptly upon receipt of notification of an address, fax number and email address or change of address, email or fax number pursuant to Clause 26.2 (*Addresses*) or changing its own address, email or fax number, the Collateral Agent shall notify the other parties.

26.5 **English language**

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Collateral Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

27 **Governing Law**

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

28 Enforcement

28.1 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).
- (b) The parties to this Deed 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.
- (c) This Clause 28.1 is for the benefit of the Foreign Secured Parties only. As a result, no Foreign Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Foreign Secured Parties may take concurrent proceedings in any number of jurisdictions.

28.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Chargor not incorporated in England and Wales irrevocably appoints Avaya UK as its agent under this Deed for service of process in any proceedings before the English courts in connection with this Deed (and Avaya UK, by its execution of this Deed, accepts that appointment).
- (b) If any person appointed as process agent under this Clause is unable for any reason to so act, the Avaya UK (on behalf of all the Chargors) must immediately (and in any event within 3 Business Days of such event taking place) appoint another agent on terms acceptable to the Collateral Agent. Failing this, the Collateral Agent may appoint another process agent for this purpose.
- (c) Each Chargor agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings.

28.3 Waiver of immunity

- (a) Each Chargor irrevocably and unconditionally:
 - (i) agrees not to claim any immunity from proceedings brought by a Foreign Secured Party against it in relation to this Deed and to ensure that no such claim is made on its behalf;
 - (ii) consents generally to the giving of any relief or the issue of any process in connection with those proceedings; and
 - (iii) waives all rights of immunity in respect of it or its assets.

28.4 Waiver of trial by jury

Each party waives any right it may have to a jury trial of any claim or cause of action in connection with this deed or any transaction contemplated by this deed. This deed may be filed as a written consent to trial by the court.

This Deed has been executed and delivered as a deed on the date stated at the beginning of this Deed.

Schedule 1 SECURITY ASSETS

Part 1 Charged Shares

Name of Chargor	Name of Charged Company	Name of nominee (if any) by whom shares are held	Class of shares held	Number of shares held
Avaya UK	Aurix Limited	N/A	Ordinary	40,60,100
			Series A Convertible Preference	1,632,480
			Series B Convertible Preference	776,233

Part 2 Security Accounts

Part 2(A)

Chargor	Account Bank	Account Name	Account number	Sort code
Avaya UK	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB	General current account	██████████	██████████
Avaya UK	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB	General current account	██████████	██████████
Avaya UK	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB	General current account	██████████	██████████
Avaya UK	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB	General current account	██████████	██████████
Avaya UK	Citibank Citigroup Centre,	General current	██████████	██████████

Chargor	Account Bank	Account Name	Account number	Sort code
	25 Canada Square, Canary Wharf, London, E14 5LB	account		
Avaya UK	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB	General current account		
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			

Part 2(B)

Chargor	Account Bank	Account Name	Account number	Sort code
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			
Avaya Ireland	Citibank Citigroup Centre, 25 Canada Square, Canary Wharf, London, E14 5LB			

Schedule 2
FORMS OF LETTER FOR SECURITY ACCOUNTS

Part 1

FORM OF NOTICE OF CHARGE TO ACCOUNT BANK

To: [Account Bank]

Copy: Citibank, N.A. as Collateral Agent

[Date]

Dear Sirs,

Security Agreement dated [●] 2017 between, amongst others, *[name of relevant Chargor]* as a Chargor and Citibank, N.A. as Collateral Agent (the **Security Agreement**)

In this letter, **Security Accounts** means the accounts maintained by us with you at any of your branches with the following account details:

Account Name	Account number	Sort code
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

and any replacement account or subdivision or subaccount of any such account.

This letter constitutes notice to you that under the Security Agreement we have charged (by way of a first fixed charge) in favour of Citibank, N.A. as security agent and trustee for the Foreign Secured Parties referred to in the Security Agreement (the **Collateral Agent**) as first priority chargee all of our rights in respect of each Security Account and the debts represented by each Security Account.

- 1 The Chargor irrevocably instructs and authorises you to perform each of the following acts (in the case of those acts described in paragraphs (c), (d) and (f) as soon as reasonably practicable following your receipt of a written notice from the Collateral Agent entitled "Enforcement Notice" which is addressed to Citibank N.A., London Branch, Attention: Charged Account Team/Specialised Agency Group, Fax No+44 207 508 3883 and marked 'EXTREMELY URGENT'):
 - (a) disclose to the Collateral Agent any information relating to any Security Account reasonably requested from you by the Collateral Agent;
 - (b) comply with any instruction relating to any Security Account received by you from the Collateral Agent;
 - (c) hold all sums standing to the credit of any Security Account to the order of the Collateral Agent;
 - (d) pay or release any sum standing to the credit of any Security Account in accordance with the written instructions of the Collateral Agent;

- (e) unless otherwise instructed by the Collateral Agent, pay all sums received by you for our account to the credit of a Security Account; and
 - (f) not to permit any withdrawal by the Chargor of any moneys standing to the credit of the Security Account, without the prior written consent of the Collateral Agent.
- 2 The Collateral Agent hereby confirms that until you receive an Enforcement Notice you may operate each Security Account in the ordinary course in accordance with the existing mandate relating to that Security Account.
 - 3 In accordance with the terms and conditions applicable to the Security Account(s), the Chargor acknowledges that you may charge, in connection with this notice, a monthly fee per Security Account as notified to the Chargor.
 - 4 You are entitled to rely on any notice or instruction from the Collateral Agent that you reasonably believe to be genuine and correct. You shall not be liable to the Chargor or the Collateral Agent for any action taken under this notice, or with respect to the Security Account(s), if such action is undertaken in good faith in accordance with this notice or pursuant to an instruction, request or communication you reasonably believe to be from the Collateral Agent. To the maximum extent permitted by law, you shall not be liable to the Chargor or the Collateral Agent for indirect, incidental, consequential or special damages or any increased costs or expenses or any loss of profit, business, contracts, revenues or anticipated savings.
 - 5 You are not obliged to comply with any instructions received from the Collateral Agent or the Chargor or to undertake the transactions set out in this notice or an Enforcement Notice where (a) due to circumstances not within your reasonable control you are unable to comply with such instructions, or (b) to comply with such instructions would in your reasonable opinion be contrary to any court order or applicable law. In the event that you are unable to comply with any instructions due to the circumstances set out in this paragraph, you shall not be responsible for any loss whatsoever caused to the Collateral Agent or Chargor.
 - 6 The Chargor agrees to indemnify you in full against all liabilities, damages, claims, losses, costs, expenses or demands suffered by you or made against you in connection with this notice, save to the extent that such liability, damage, claim, loss, cost, expense or demand is suffered by you or made against you as a result of your wilful misconduct or fraud.
 - 7 It is acknowledged by the Chargor and the Collateral Agent that you are not bound by, and have no knowledge of, the terms and conditions of the Security Agreement or any related document (other than this notice and any instruction given to you by the Collateral Agent pursuant to this notice) and no implied duties or obligations of you shall be read into this notice, your acknowledgement or any Enforcement Notice.

The instructions in this letter shall remain in full force and effect until (i) the Collateral Agent gives you three (3) business days' notice in writing revoking or amending them, or (ii) you give the Chargor and Collateral Agent twenty (20) Business Days' written notice terminating this notice and your acknowledgement of this notice.

We acknowledge that you may comply with the instructions in this letter without any further permission from the Chargor or Collateral Agent and without any enquiry by you as to the justification for or validity of any request, notice or instruction.

This letter is governed by English law.

Please send to the Collateral Agent at **[insert address and fax number of Collateral Agent]** for the attention of **[contact]** with a copy to ourselves the attached acknowledgement confirming your agreement to the above and giving the further undertakings set out in the acknowledgement.

Yours faithfully,

(Authorised signatory)

For [name of relevant Chargor]

(Authorised signatory) For Citibank N.A. as Collateral Agent

Part 2
FORM OF ACKNOWLEDGEMENT OF ACCOUNT BANK

To: Citibank N.A. as Collateral Agent

Copy: **[name of relevant Chargor]**

[Date]

Dear Sirs,

Security Agreement dated [●] 2017 between, amongst others, [name of relevant Chargor] as a Chargor and Citibank, N.A. as Collateral Agent (the "Security Agreement")

In this letter, **Security Accounts** means the accounts referred to in the Notice.

We confirm receipt from *[name of relevant Chargor]* [and the Collateral Agent] (the **Chargor**) of a notice (the **Notice**) dated [●] of a charge upon the terms of the Security Agreement over all of the rights of the Chargor in respect of each Security Account and the debts represented by each Security Account.

We confirm that:

- (a) we accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) to the best of our knowledge, we have not received notice of any assignments of, charge over, trusts in respect of or any other the interest of any third party in any Security Account;
- (c) have neither claimed nor exercised, nor will without your prior consent claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Security Account;
- (d) upon receipt of an Enforcement Notice (as defined in the Notice), we will not permit any amount to be withdrawn from any Security Account without your prior written consent; and
- (e) unless otherwise instructed by you, will pay all sums received by us for the account of the Chargor to a Security Account.

Nothing contained in any of our arrangements with you shall commit us to providing any facilities or making advances available to the Chargor.

This letter is governed by English law.

Yours faithfully,

(Authorised signatory)

[Account Bank]

Schedule 3
FORMS OF LETTER FOR INSURANCE POLICIES

Part 1
FORM OF NOTICE OF ASSIGNMENT
(for attachment by way of endorsement to the insurance policies)

To: [Insurer]

Copy: Citibank, N.A. as Collateral Agent

[Date]

Dear Sirs,

Security Agreement dated [●] 2017 between, amongst others, [name of relevant Chargor] as a Chargor and Citibank, N.A. as Collateral Agent (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we have assigned in favour of Citibank, N.A. as agent and trustee for the Foreign Secured Parties referred to in the Security Agreement (the **Collateral Agent**) as first priority assignee all amounts payable to us under or in connection with any contract of insurance of whatever nature taken out with you by or on behalf of us or under which we have a right to claim, including (without limitation) **[insert details of relevant insurance policies]**, (each an **Insurance Contract**) and all of our rights, title and interest in connection with those amounts.

A reference in this letter to any amounts excludes all amounts received or receivable under or in connection with any third party liability Insurance and required to settle a liability of ours to a third party.

We confirm that:

- (a) we will remain liable under [the] [each] Insurance Contract to perform all the obligations assumed by us under [the] [that] Insurance Contract;
- (b) you are hereby authorised to disclose to the Collateral Agent, without further approval from us, such information regarding any Insurance Contract as the Collateral Agent may from time to time request and to send it copies of all notices issued by you under the Insurance Contracts; and
- (c) none of the Collateral Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of [the] [any] Insurance Contract.

Unless otherwise provided in this notice, we will also remain entitled to exercise all of our rights under [the] [each] Insurance Contract and you should continue to give notices under [the] [each] Insurance Contract to us, unless and until you receive notice from the Collateral Agent to the contrary stating that the security has become enforceable. Following such event, unless the Collateral Agent otherwise agrees in writing:

- (a) all amounts payable to us under [the] [each] Insurance Contract must be paid to the Collateral Agent; and
- (b) all of our rights in connection with the Insurance Contracts and those amounts will be exercisable by, and notices must be given to, the Collateral Agent or as it directs.

The instructions in this letter may not be revoked or amended without the prior written consent of the Collateral Agent.

Please note on the relevant contracts the Collateral Agent's interest as loss payee and the Collateral Agent's interest as first priority assignee of those amounts and rights and send to the Collateral Agent at [●] with a copy to ourselves the attached acknowledgement confirming your agreement to the above and giving the further undertakings set out in the acknowledgement.

We acknowledge that you may comply with the instructions in this letter without any further permission from us and without any enquiry by you as to the justification for or validity of any request, notice or instruction.

This letter is governed by English law.

Yours faithfully,

(Authorised signatory)

For [***name of relevant Chargor***]

Part 2
FORM OF ACKNOWLEDGEMENT OF INSURANCE PROVIDER

To: Citibank, N.A.

Copy: **[name of relevant Chargor]**

[Date]

Dear Sirs,

Security Agreement dated [●] 2017 between, amongst others, [name of relevant Chargor] as a Chargor and Citibank, N.A. as Collateral Agent (the "Security Agreement")

We confirm receipt from *[name of relevant Chargor]* (the **Chargor**) of a notice dated [●] of an assignment by the Chargor upon the terms of the Security Agreement of all amounts payable to it under or in connection with any contract of insurance of whatever nature taken out with us by or on behalf of it or under which it has a right to claim, including (without limitation) **[insert details of relevant insurance policy]**, (each an **Insurance Contract**) and all of its rights, title and interest in connection with those amounts.

A reference in this letter to any amounts excludes all amounts received or receivable under or in connection with any third party liability Insurance and required to settle a liability of the Chargor to a third party.

In consideration of your agreeing to the Chargor continuing its insurance arrangements with us we:

- 1 accept the instructions contained in the notice and agree to comply with the notice;
- 2 confirm that we have not received notice of any assignments of, charge over, trusts in respect of or any other the interest of any third party in those amounts and rights relating to any Insurance Contract;
- 3 undertake to note on the relevant Insurance Contract your interest as loss payee and as first priority assignee of those amounts and rights; and
- 4 undertake to disclose to you without any reference to or further authority from the Chargor any information relating to those contracts which you may at any time request.

This letter is governed by English law.

Yours faithfully,

(Authorised signatory)
for **[Insurer]**

SIGNATORIES (SECURITY AGREEMENT)

THE CHARGORS

Avaya UK

EXECUTED AS A DEED by

Avaya UK
acting by
in the presence of:

)
)
)
)
)
)

[Redacted Signature]

Director


MOLLY ELLARD
Name of Witness

Avaya House
Cathedral Hill
Guildford Surrey GU2 7YL
Address of Witness

Avaya International Sales Limited

Signed and delivered as a deed
For and on behalf of
AVAYA INTERNATIONAL SALES LIMITED
acting by its duly authorised and appointed attorney

Name of attorney: MICHAEL MURRAY

Signature of attorney: 

In the presence of: DEREK BROWN

Witness Name: DEREK BROWN

Witness Signature: 

Witness Address: C/O AVAYA

Witness Occupation: ENGINEER

THE COLLATERAL AGENT

Citibank, N.A.

By:

