



Registration of a Charge

Company name: **BRITISH AIRWAYS PLC**

Company number: **01777777**

Received for Electronic Filing: **24/02/2021**



X9YZBZAG

Details of Charge

Date of creation: **19/02/2021**

Charge code: **0177 7777 0854**

Persons entitled: **NEW AIRWAYS PENSION SCHEME TRUSTEE LIMITED**

Brief description: **ALL OF THE LEASEHOLD PROPERTY REGISTERED AT HM LAND
REGISTRY UNDER TITLE NUMBER AGL46412 KNOWN AS EAST AND
WEST MAINTENANCE BASES, HEATHROW AIRPORT, HOUNSLOW.**

Contains fixed charge(s).

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.**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1777777

Charge code: 0177 7777 0854

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th February 2021 and created by BRITISH AIRWAYS PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th February 2021 .

Given at Companies House, Cardiff on 25th February 2021

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**

Linklaters

Security agreement

Dated 19 February 2021

between

BRITISH AIRWAYS PLC

as Chargor

and

NEW AIRWAYS PENSION SCHEME TRUSTEE LIMITED

as Secured Party

Ref: THWW/ANDF

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THIS DEED is dated 19 February 2021 and is made between:

- (1) **BRITISH AIRWAYS PLC**, a company incorporated under the laws of England and Wales with registration number 01777777 whose registered office is located at Waterside, PO BOX 365, Harmondsworth, UB7 0GB (the "**Chargor**"); and
- (2) **NEW AIRWAYS PENSION SCHEME TRUSTEE LIMITED**, a company incorporated under the laws of England and Wales with registration number 10299954 whose registered office is located at Waterside, Haa1, Harmondsworth, England, UB7 0GB, acting in its capacity as the trustee of the New Airways Pension Scheme (the "**Secured Party**").

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the 2019 NAPS Agreement (as defined below).
- (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.
- (C) The Board of Directors of the Chargor is satisfied that the giving of the security contained or provided for in this Deed is in the interests of the Chargor.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"2019 NAPS Agreement" means the New Airways Pension Scheme 2019 Funding Agreement dated 25 October 2019 between the Chargor and the Secured Party.

"Acceleration Clause" means Clause 4.2 of the Payment Deferral Agreement.

"Act" means the Law of Property Act 1925.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Agreed Characteristics" means, in respect of a lease or licence relating to the Mortgaged Property, that

- (a) if such lease or licence is in favour of an Affiliate of the Chargor, such lease or licence permits the Chargor (and the landlord or licensor from time to time) to terminate such lease or licence at any time on not less than 6 months' notice and, in the case of a lease, is lawfully excluded from the security of tenure provisions of the Landlord and Tenant Act 1954; or:
- (b) if such lease or licence is not in favour of an Affiliate of the Chargor:
 - (i) such lease or licence is on arm's length terms and provides for the payment of rent or licence fees at market rates;
 - (ii) such lease or licence provides for the payment of rent or licence fees which are equal to or less than £100,000 (excluding VAT) per annum;
 - (iii) the term of such lease or licence does not exceed 10 years;

- (iv) in the case of a lease, is lawfully excluded from the security of tenure provisions of the Landlord and Tenant Act 1954;
- (v) such lease or licence is granted in accordance with principles of good estate management but having regard to the use of the Mortgaged Property in connection with the Chargor's business at the Airport; and
- (vi) such rent or licence fees, when taken together with the rent or licence fees payable under the terms of all other leases or licences falling within paragraph (b) of this definition, are equal to or less than £1,000,000 (excluding VAT) per annum.

"Airport" has the meaning given to that term in the Lease.

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London.

"Certificate of Title" means the certificate of title (based on the City of London Law Society Certificate of Title (7th Edition)) in relation to the Lease delivered to the Secured Party on or before the date of this Deed in the form approved by the Secured Party.

"Charged Tenancy Documents" means:

- (a) the leases and agreements referred to in Schedule 1 (*Charged Tenancy Documents*) to this Deed; and
- (b) any other leases granted by the Chargor in respect of any part of the Mortgaged Property after the date of this Deed at other than a nominal rent.

"Deferred DRCs" has the meaning given to that term in the Payment Deferral Agreement.

"Delegate" means any person appointed by the Secured Party or any Receiver pursuant to Clause 15 (*Delegation*) and any person appointed as attorney of the Secured Party and/or any Receiver or Delegate.

"Enforcement and Preservation Costs" has the meaning given to that term in the Payment Deferral Agreement.

"Enforcement Event" means any failure by the Chargor to pay any amount payable by the Chargor pursuant to the Acceleration Clause on or before the date on which that amount is due and payable in accordance with the terms of the Acceleration Clause.

"Entry Requirements" means:

- (a) compliance with all regulations, bye-laws, notices, directions and requirements made by the Landlord (or such body or persons which from time to time is responsible for the management and/or security of the Airport) and/or the Chargor relating to the safety and security of the Airport and/or the Mortgaged Property; and
- (b) acceptance that the Secured Party (and its representatives) must be accompanied by an employee or representative of the Chargor at all times when visiting the Mortgaged

Property and that some areas of the Mortgaged Property may be restricted from access due to Airport security, regulatory or safety requirements.

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

"Environmental Law" means any applicable law or regulation which relates to:

- (a) the pollution or protection of the environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any emission or substance which, alone or in combination with any other, is capable of causing harm to the environment, including, without limitation, any waste.

"Environmental Permits" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of the Chargor conducted on or from the Mortgaged Property.

"Excluded Equipment" means any equipment that is located on the Mortgaged Property from time to time, that is not permanently attached to the Mortgaged Property and that is not associated with the operation of the Mortgaged Property including (without limitation):

- (a) **Hangars/Engineering workshops** – aircraft support equipment, docking equipment and aircraft parts including (without limitation) aircraft engines, tools, engineering consumable items and storage racking;
- (b) **Training Areas** – flight simulators, aircraft mock-ups, emergency procedure training equipment, tools and simulator spare parts;
- (c) **Data Centre** – information technology equipment including (without limitation) all servers and network switches within the data halls, spare parts and consumable items; and
- (d) all moveable equipment and fittings of any nature including (without limitation) information technology equipment, audio visual equipment, vending machines, canteen equipment, uniforms, personal protection equipment and artwork.

"Holding Company" means, in relation to a person, any other person in respect of which it is a Subsidiary.

"Insurance Rights" has the meaning given to that term in paragraph (b) of Clause 2.3 (*Contracts*).

"Landlord" means Heathrow Airport Limited.

"Lease" means the lease dated 1 April 1995 made between (1) the Landlord and (2) the Chargor and British Airways Associated Companies Limited.

"Mortgaged Property" means all of the leasehold property registered at HM Land Registry under title number AGL46412 known as East and West Maintenance Bases, Heathrow Airport, Hounslow, as more particularly described in the Lease.

"Party" means a party to this Deed.

"Payment Deferral Agreement" means the extended deferral agreement dated on or about the date of this Deed between the Chargor and the Secured Party in respect of the deferral of the Deferred DRCs and related matters.

"Premises and Fixtures" has the meaning given to that term in paragraph (b)(i) of Clause 2.2 (*Land*).

"Receiver" means a receiver appointed under this Deed.

"Release Date" has the meaning given to that term in the Payment Deferral Agreement.

"Scheme" has the meaning given to that term in the Payment Deferral Agreement.

"Secured Liabilities" means the obligations of the Chargor to pay any amount payable by the Chargor:

- (a) pursuant to the Acceleration Clause;
- (b) in respect of any Enforcement and Preservation Costs; and
- (c) pursuant to Clause 8 (*Indemnity*) of this Deed,

in each case whether present or future, actual or contingent and whether owed as principal or surety and/or in any other capacity whatsoever.

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

"Security Asset" means any asset of the Chargor which is, or is expressed to be, subject to any Security created by this Deed.

"Security Period" the period beginning on the date of this Deed and ending on the Release Date.

"Specified Policy" means any contract or policy of insurance or re-insurance taken out by the Chargor in respect of the risk of the Mortgaged Property suffering damage or the risk of the Mortgaged Property being affected by acts of terrorism.

"Subsidiary" means a subsidiary as defined by section 1159 of the Companies Act 2006 or a subsidiary undertaking as defined by section 1162 of the Companies Act 2006.

"Tenancy Documents" means any leases or licences to occupy granted by the Chargor in respect of any part of the Mortgaged Property (not being a Charged Tenancy Document) granted at nominal rent or licence fee.

"Title Documents" has the meaning given to that term in Clause 4.5 (*Holding and deposit of title deeds*).

"VAT" means:

- (a) any value added tax imposed by the Value Added Tax Act 1994; and
- (b) any other tax imposed in England and Wales or in another jurisdiction by reference to value added or sales.

1.2 Construction

- (a) Unless a contrary indication appears, a reference in this Deed to:

- (i) a **Clause** is a reference to a clause of this Deed;
 - (ii) a provision of law is a reference to that provision of law as amended or re-enacted;
 - (iii) the 2019 NAPS Agreement, the Payment Deferral Agreement, the Lease or any other agreement or instrument is a reference to the 2019 NAPS Agreement, the Payment Deferral Agreement, the Lease or that other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (iv) any **rights** in respect of an asset includes:
 - (A) all amounts and proceeds paid or payable;
 - (B) all rights to make any demand or claim; and
 - (C) all powers, remedies, causes of action, security, guarantees and indemnities, in each case in respect of or derived from that asset;
 - (v) an Enforcement Event being **continuing** means that the non-payment which gave rise to the occurrence of that Enforcement Event has not subsequently (together with all other amounts then owing in respect of the Secured Liabilities) been irrevocably paid or waived in writing by the Secured Party; and
 - (vi) the term **this Security** means any Security created by this Deed.
- (b) Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
 - (c) The terms of the 2019 NAPS Agreement and of any other agreement or instrument between the Parties in relation to the 2019 NAPS Agreement are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any 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.
 - (d) If the Secured Party considers that an amount paid to the Secured Party in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
 - (e) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 **Third party rights**

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) of this Clause 1.3 and the provisions of the Contracts (Rights of Third Parties) Act 1999.

2. CREATION OF SECURITY

2.1 General

- (a) The Chargor must pay or discharge the Secured Liabilities in accordance with their terms.
- (b) All the security created under this Deed:
 - (i) is created in favour of the Secured Party;
 - (ii) is security for the payment of all the Secured Liabilities;
 - (iii) is created over present and future Security Assets of the Chargor; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.2 Land

- (a) The Chargor charges:
 - (i) by way of a first legal mortgage all estates and interests in the Mortgaged Property; and
 - (ii) to the extent that the Mortgaged Property is not the subject of an effective mortgage under paragraph (a)(i) of this Clause 2.2, by way of first fixed charge all estates or interests in the Mortgaged Property.
- (b) A reference in this Clause 2.2 to a mortgage or charge of the Mortgaged Property:
 - (i) includes all buildings ("**Premises**"), fixtures, fittings and fixed plant and machinery ("**Fixtures**", together with the Premises the "**Premises and Fixtures**") on the Mortgaged Property but excludes the Excluded Equipment which does not form part of the Mortgaged Property and is not a Security Asset pursuant to this Security; and
 - (ii) includes the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 Contracts

The Chargor charges by way of a first fixed charge:

- (a) all its rights under the Lease;
- (b) all its rights under any contract or policy of insurance relating to the Mortgaged Property taken out by it or on its behalf or in which it has an interest (the "**Insurance Rights**"); and
- (c) all its rights under each Charged Tenancy Document.

2.4 Miscellaneous

The Chargor charges by way of first fixed charge:

- (a) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset; and
- (b) the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph (a) of this Clause 2.4.

2.5 Maximum recoveries

Notwithstanding anything to the contrary in this Deed (including, without limitation, the definition of "Secured Liabilities") or the Payment Deferral Agreement, the amount recoverable by the Secured Party in respect of the Secured Liabilities (whether through payment by the Chargor, enforcement of the Secured Party's rights under this Deed or the Payment Deferral Agreement or otherwise) shall never exceed an amount equal to the sum of:

- (a) the amount by which the Scheme's liabilities exceed the value of the Scheme's assets, both as measured in accordance with sections 75 to 75A of the Pensions Act 1995 and associated regulations; plus
- (b) the amount of any Enforcement and Preservation Costs which have been incurred by the Secured Party (or which the Secured Party reasonably expects to incur) and which have not been taken into account in the calculation of the amount described in paragraph (a) of this Clause 2.5.

3. RESTRICTIONS ON DEALINGS

3.1 Security

The Chargor must not, without the prior written consent of the Secured Party, create or permit to subsist any Security on any Security Asset other than this Security.

3.2 Disposals

The Chargor must not, other than with the prior written consent of the Secured Party or as permitted by the terms of this Deed, enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

4. NOTICES, RESTRICTIONS AND FILINGS

4.1 Notice to Landlord

The Chargor must:

- (a) serve a notice, substantially in the form of Schedule 2 (*Form of Letter to Landlord*), on the Landlord, such notice to be served within 3 Business Days of the date of this Deed; and
- (b) use all reasonable endeavours to ensure that the Landlord acknowledges that notice, substantially in the form of the acknowledgment attached to that notice as soon as reasonably practicable following the date of this Deed.

4.2 Insurances

The Chargor must:

- (a) promptly following the date of this Deed, serve a notice, substantially in the form of Schedule 3 (*Form of Notice to Insurer*), on each counterparty to an Insurance Right; and
- (b) use reasonable endeavours to ensure that each such counterparty acknowledges that notice, substantially in the form of the acknowledgment attached to that notice.

4.3 Notices to tenants

The Chargor must (promptly following a request made by the Secured Party when an Enforcement Event has occurred and is continuing):

- (a) serve a notice, substantially in the form of Schedule 4 (*Form of Notice to Tenants*), on each tenant under a Charged Tenancy Document; and
- (b) use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of the acknowledgment attached to that notice.

4.4 HM Land Registry

The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to the Mortgaged Property at HM Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] 2021 in favour of New Airways Pension Scheme Trustee Limited referred to in the charges register or their conveyancer. (Standard Form P)".

4.5 Holding and deposit of title deeds

The Chargor shall hold all deeds and documents which relate to its title to the Mortgaged Property and which are in its possession (the "Title Documents") to the order of the Secured Party and must within 5 Business Days of written request to do so deposit the Title Documents with the Secured Party.

4.6 Filings

- (a) The Chargor shall make a filing (and the Secured Party may make such a filing on the Chargor's behalf) in respect of this Deed with Companies House in accordance with section 859A of the Companies Act 2006.
- (b) On or prior to the date of this Deed, the Chargor shall provide to the Secured Party:
 - (i) the results of HM Land Registry searches in favour of the Secured Party against registered title number AGL46412 and:
 - (A) giving not less than 20 Business Days' priority beyond the date of this Deed; and
 - (B) showing no adverse entries; and
 - (ii) all necessary HM Land Registry application forms in relation to the charging of the Mortgaged Property in favour of the Secured Party (including a form to note the obligation to make further advances, a form to register the restriction contained in this Deed), duly completed, accompanied by payment of the applicable HM Land Registry fees or an undertaking from a firm of solicitors regulated by the Solicitors Regulation Authority and approved for this purpose by the Secured Party and in form and substance satisfactory to the Secured Party in relation to the same.

5. REPRESENTATIONS AND WARRANTIES

The Chargor represents and warrants to the Secured Party on the date of this Deed (which representations and warranties shall thereafter be deemed to be repeated by the Chargor on the

last Business Day of each calendar month during the Security Period (in each case by reference to the facts and circumstances then existing)) that:

- (a) it is a limited liability company, duly incorporated and validly existing under the law of its jurisdiction of incorporation and it has the power to own its assets and carry on its business as it is being conducted;
- (b) the obligations expressed to be assumed by it in this Deed are (subject to any general principles of law applying to companies generally) legal, valid, binding and enforceable obligations and (without limiting the generality of the foregoing) this Deed creates the security which it purports to create;
- (c) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Deed and the transactions contemplated by this Deed;
- (d) the entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the security under this Deed do not and will not conflict with:
 - (i) any law or regulation applicable to it;
 - (ii) its constitutional documents; or
 - (iii) any agreement or instrument binding upon it or any of its assets in any material respect or constitute a default or termination event (however described) under any such agreement or instrument,

nor (except as provided in this Deed) result in the existence or imposition of, or oblige it to create, any Security in favour of any person over all or any of its assets;

- (e) under the law of its jurisdiction of incorporation it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction, except:
 - (i) registration of a certified copy of this Deed at Companies House under Section 859A of the Companies Act 2006 and payment of associated fees; and
 - (ii) registration of this Deed at HM Land Registry or Land Charges Registry in England and Wales and payment of associated fees,

which registrations, filings and fees will be made and paid within any time-periods required by law or within any applicable original priority period after the date of this Deed;

- (f) its payment obligations under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally;
- (g) all written and factual information provided by the Chargor or on its behalf to DLA Piper UK LLP for the purposes of the Certificate of Title is true and accurate in all material respects as at the date of the Certificate of Title or (if appropriate) as at the date at which it was stated to be given; and

- (h) save as otherwise disclosed in the Certificate of Title, it has good and marketable title to the Security Assets subject to the rights of the tenants and licensees pursuant to the Charged Tenancy Documents and the Tenancy Documents.

6. GENERAL UNDERTAKINGS

The undertakings in this Clause 6 remain in force during the Security Period.

6.1 Rights of access

Subject to compliance with the Entry Requirements, the Chargor shall permit the Secured Party and any other person acting in a professional capacity on behalf of the Secured Party at all reasonable times and on reasonable notice to enter upon and/or view the state and condition of the Mortgaged Property (without, in any case, becoming liable to account as mortgagee in possession).

6.2 Insurance

- (a) The Chargor shall insure and keep insured the Mortgaged Property (insofar as it is of an insurable nature) against:
 - (i) loss or damage by fire or terrorists acts; and
 - (ii) other risks, perils and contingencies and in such amounts and on such terms as in accordance with its usual and prudent business practices.

Any such insurance must be with an insurance or re-insurance company or underwriters and on such terms as are reasonably acceptable to the Secured Party and save as provided for in paragraph (b) of this Clause 6.2 must be in a sum or sums not less than the replacement value of the Mortgaged Property (meaning in the case of the Premises and Fixtures the cost of rebuilding, re-instating or replacing the Premises and Fixtures in the event of them being damaged or destroyed, together with architect's, surveyor's, engineer's and other professional fees and charges for demolition and reinstatement), other than in respect of terrorist acts, where the cover shall not be less than £400,000,000.

- (b) The parties acknowledge that at the date hereof the building on the Mortgaged Property known as "Technical Base A" may not be insured to its replacement value. It is agreed that on the renewal of the relevant Specified Policy (next due 1st April 2021) or, in the alternative, the taking of a new insurance policy on or before such date the relevant Specified Policy or such new insurance policy shall comply with the provisions of this Clause 6.2.
- (c) The Chargor shall procure that the Secured Party is named as co-insured under any contract or policy of insurance taken out by the Chargor pursuant to paragraph (a) of this Clause and not cancel it or any policy of re-insurance without giving at least 30 days prior written notice to the Secured Party provided that, in the case of any Specified Policy, the requirements of this paragraph (c) shall not apply until the date falling 15 Business Days after the date of this Deed.
- (d) The Chargor shall, following written demand by the Secured Party, produce to the Secured Party one or more letters from the Chargor's insurance or re-insurance brokers (in the form or forms agreed between the Chargor and the Secured Party for this purpose) confirming the terms of any contract or policy of insurance or re-insurance that is taken out by the Chargor or on its behalf pursuant to paragraph (a) of this Clause 6.2.

- (e) The Chargor shall not do or cause or permit to be done or, as the case may be, not done, and shall not fail to disclose, any matter or thing which might reasonably be expected to make any insurance as is required to be maintained by the Chargor under paragraph (a) of this Clause 6.2 void or voidable.
- (f) If the Chargor fails to comply with paragraph (a) of this Clause 6.2, the Secured Party may (but shall not be obliged to) effect or renew any such insurance as is required by that paragraph on terms which the Secured Party reasonably considers appropriate. All moneys reasonably expended by the Secured Party in so doing shall be reimbursed by the Chargor to the Secured Party promptly following demand.
- (g) All moneys received or receivable by the Chargor under any insurances in respect of the Mortgaged Property shall be held on trust for the Secured Party and applied (subject to the rights and claims of any person having prior rights thereto and subject to the terms and requirements of the relevant insurance policy):
 - (i) in replacing, restoring or reinstating the Mortgaged Property or Premises and Fixtures destroyed or damaged or in such other manner as the Secured Party shall have previously approved in writing (acting reasonably); or
 - (ii) after the security constituted by this Deed has become enforceable and if the Secured Party so directs, in or towards satisfaction of the Secured Liabilities.

6.3 Authorisations

The Chargor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect, any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Deed.

6.4 Compliance with laws

The Chargor shall comply in all respects with all laws and regulations to which it or the Mortgaged Property may be subject, if failure so to comply would materially impair its ability to perform its obligations under this Deed.

6.5 Environmental issues

- (a) Without limiting Clause 6.4 (*Compliance with laws*), the Chargor shall:

- (i) comply with all Environmental Law; and
- (ii) maintain and ensure compliance with all requisite Environmental Permits,

where failure to do so might reasonably be expected to have a material adverse effect on any Security Asset or on its ability to comply with its obligations under this Deed.

- (b) The Chargor shall, promptly upon becoming aware of the same, inform the Secured Party in writing of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Permit relating to the Mortgaged Property which might reasonably be expected to have a material adverse effect on any Security Asset or on its ability to comply with its obligations under this Deed.

- (c) The Chargor shall, promptly upon becoming aware of the same, inform the Secured Party in writing of any Environmental Claim which has formally been brought against it relating to the Mortgaged Property where the claim is not frivolous or vexatious and, if determined against it, might reasonably be expected to have a material adverse effect on any Security Asset or on its ability to comply with its obligations under this Deed.

6.6 Provision of information

- (a) The Chargor shall promptly supply to the Secured Party such information as the Secured Party may reasonably require about the Mortgaged Property and its compliance with the terms of this Deed as the Secured Party may reasonably request.
- (b) The Chargor shall promptly notify the Secured Party in writing of any material action, claim or demand made by or against it in connection with all or any part of the Mortgaged Property together with the Chargor's proposals for settling, liquidating, compounding or contesting the same and shall, subject to the Secured Party's approval of such proposals (such approval not to be unreasonably withheld or delayed), implement them at its own expense.
- (c) The Chargor shall, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the whole or any material part of the Mortgaged Property:
 - (i) deliver a copy to the Secured Party;
 - (ii) inform the Secured Party of the steps taken or proposed to be taken by it to comply with the relevant application, requirement, order or notice; and
 - (iii) take such action as is reasonably necessary to preserve or protect the Mortgaged Property or the security constituted or intended to be constituted by this Deed.

6.7 No prejudicial conduct

The Chargor shall not do or cause or permit to be done anything which might reasonably be expected to depreciate the value of the Mortgaged Property in any material respect or to prejudice the security constituted or intended to be constituted by this Deed.

7. PROPERTY UNDERTAKINGS

The undertakings in this Clause 7 remain in force during the Security Period.

7.1 Maintenance of Mortgaged Property

- (a) The Chargor shall at all times, to the Secured Party's reasonable satisfaction, keep the Premises (other than the Excluded Equipment) in no worse state and condition as they are in at the date of this Deed and shall ensure that the Fixtures (other than the Excluded Equipment) are compliant in all material respects with any health and safety laws or regulations and/or safety requirements applicable to such Fixtures.
- (b) If default shall be made by the Chargor in complying with paragraph (a) of this Clause 7.1, the Secured Party may (but shall not be obliged to) carry out any necessary repairs and the Chargor shall subject to the Entry Requirements permit the Secured Party and its agents and contractors to take any of the steps referred to in paragraph (c) of this Clause 7.1 for this purpose. Prior to taking any such steps at a time before this Security has become enforceable, the Secured Party

shall consult with the Chargor on the nature and timing of any proposed steps, the persons which are to undertake any proposed steps and the estimated costs of undertaking any proposed steps and, in each case, take into account any comments of the Chargor in relation to the same. All moneys reasonably and properly expended by the Secured Party in taking any such steps (following, where relevant, such consultation) shall be reimbursed by the Chargor to the Secured Party promptly following demand.

- (c) The Chargor shall not, without the prior written consent of the Secured Party (such consent not to be unreasonably withheld or delayed) and subject to the terms of the Lease:
- (i) sever or unfix or remove any of the fixtures on the Mortgaged Property (except for the Excluded Equipment) other than for the purpose of effecting necessary repairs to any such items or renewing or replacing the same in accordance with paragraph (a) of this Clause 7.1 or replacing the same with items of similar or better quality; or
 - (ii) carry out or permit to be carried out any material demolition, rebuilding, reconstruction or structural alteration of, or structural addition to, the Mortgaged Property,

other than for the purposes of carrying out any internal non-structural alteration of, or addition to, the Mortgaged Property (for which no consent of the Secured Party shall be required).

- (d) The Chargor shall promptly give notice to the Secured Party in the event of the Mortgaged Property being damaged or destroyed.

7.2 Payment of outgoings

The Chargor shall punctually pay or cause to be paid (except when contested on reasonable grounds) all present and future rents, rates, taxes, assessments and outgoings of whatsoever nature imposed upon or payable in respect of the Mortgaged Property or by the owner or occupier of the Mortgaged Property upon the same becoming due and payable or within any applicable grace period. If any of the foregoing shall be paid by the Secured Party or any Receiver or Delegate they shall be reimbursed by the Chargor to the Secured Party or such Receiver or Delegate promptly following demand.

7.3 Grant of rights

The Chargor shall not, without the prior written consent of the Secured Party (such consent not to be unreasonably withheld or delayed):

- (a) exercise any statutory or other power of leasing or letting, or accept or agree to accept surrenders of any Charged Tenancy Documents, or enter into any agreement for lease or letting, in respect of the Mortgaged Property; or
- (b) save for the Tenancy Documents and Charged Tenancy Documents in existence on the date of this Deed, create any licence in respect of the Mortgaged Property, or let any person into occupation of, or share occupation of, the Mortgaged Property or grant any other proprietary or other right or interest in a material part of the Mortgaged Property,

provided that notwithstanding the terms of this Clause 7.3 the consent of the Secured Party will not be required in respect of the grant or surrender by the Chargor of (i) any licence to occupy part of the Mortgaged Property that is personal to the licensee, such licensee supplying services to the Chargor in respect of the business carried on by the Chargor, (ii) any wayleave in relation to

or that assists the business carried on from the Mortgaged Property by the Chargor and/or (iii) any lease or licence relating to the Mortgaged Property (other than any licence falling within (i) immediately above) which has the Agreed Characteristics.

7.4 Observance of covenants

(a) The Chargor shall:

- (i) observe and perform all restrictive and other covenants, stipulations and obligations now or at any time affecting the Mortgaged Property or the mode of use or the enjoyment of the same and shall not enter into any onerous or restrictive obligations affecting the Mortgaged Property; and
- (ii) diligently enforce all restrictive and other covenants, stipulations and obligations benefiting the Mortgaged Property and shall not (and shall not agree to) waive, release or vary any of the same,

where failure to do so might reasonably be expected to have a material adverse effect on the Mortgaged Property or on its ability to comply with its obligations under this Deed.

(b) Without prejudice to the generality of paragraph (a) of this Clause 7.4, the Chargor shall, in relation to the Lease:

- (i) subject to the terms of paragraph (a) of Clause 7.1 (*Maintenance of Mortgaged Property*), observe and perform all covenants, stipulations and obligations of the Chargor, and diligently enforce the performance and observance of the covenants and obligations of the Landlord, contained in the Lease (in each case where failure to do so might reasonably be expected to have a material adverse effect on the Chargor's rights in relation to the Mortgaged Property or on its ability to comply with its obligations under this Deed);
- (ii) not agree to any increase in the rent payable under the Lease (save as required pursuant to the review of rent in accordance with terms of the Lease) without the prior written consent of the Secured Party (such consent not to be unreasonably withheld or delayed);
- (iii) not do any act or thing whereby the Lease may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term;
- (iv) promptly notify the Secured Party of any notice received from the Landlord claiming breach of the terms of the Lease and if the breach has occurred take all such action as the Secured Party may reasonably request to remedy the breach that has led to the notice; and
- (v) immediately provide the Secured Party with a copy of any notice of forfeiture or notice of intent to re-enter the Mortgaged Property received from the Landlord pursuant to the terms of the Lease and take all such action as the Secured Party may reasonably request to remedy the breach that has led to the forfeiture proceedings being commenced or notice being issued. The Chargor may also bring a claim for relief from forfeiture of the Lease and shall keep the Secured Party regularly informed as to the progress of such claim.

- (c) In case of any default by the Chargor in performing or complying with its obligations under this Clause 7.4, the Chargor shall permit the Secured Party, its agents and their respective officers, agents and employees to:
- (i) subject to the Entry Requirements enter on the Mortgaged Property;
 - (ii) comply with or object to any notice served on it in respect of the Mortgaged Property; and
 - (iii) take any action as the Secured Party may reasonably consider necessary or desirable to prevent or remedy any breach of any such obligation or to comply with or object to any such notice.
- (d) Prior to taking any steps referred to in paragraph (c) of this Clause 7.4 at a time before this Security has become enforceable, the Secured Party shall consult with the Chargor on the nature and timing of any proposed steps, the persons which are to undertake any proposed steps and the estimated costs of undertaking any proposed steps and, in each case, take into account any comments of the Chargor in relation to the same. All moneys expended by the Secured Party in taking any steps referred to in paragraph (c) of this Clause 7.4 (following, where relevant, such consultation) shall be reimbursed by the Chargor to the Secured Party promptly following demand.

8. INDEMNITY

If the right of the Secured Party to demand payment pursuant to the Acceleration Clause is or becomes unenforceable, invalid or illegal, the Chargor shall, as an independent and primary obligation, indemnify the Secured Party against any cost, loss or liability incurred by the Secured Party as a result of the Secured Party's inability to demand an amount which would, but for such unenforceability, invalidity or illegality, have been able to be demanded by the Secured Party under the Acceleration Clause and as a result payable by the Chargor on the date it would have been due. The amount payable by the Chargor under this indemnity will not exceed the amount that the Chargor would have had to pay under the Acceleration Clause if the amount claimed had been demanded by the Secured Party pursuant to such clause and the right to make such demand was not or had not become unenforceable, invalid or illegal.

9. WHEN SECURITY BECOMES ENFORCEABLE

9.1 Enforcement Event

This Security will become immediately enforceable if an Enforcement Event occurs and is continuing.

9.2 Discretion

After this Security has become enforceable, the Secured Party may enforce all or any part of this Security in any manner it sees fit.

9.3 Statutory powers

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

10. ENFORCEMENT OF SECURITY

10.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Secured Party are extended so that, at any time after this Security has become enforceable, the Secured Party is authorised to lease, make agreements for leases, accept surrenders of leases and grant options as the Secured Party may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

10.2 No liability as mortgagee in possession

Neither the Secured Party nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

10.3 Privileges

The Secured Party and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

10.4 Protection of third parties

No person (including a purchaser) dealing with the Secured Party or a Receiver or its or his/her agents will be concerned to enquire:

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

10.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Secured Party may:

- (i) redeem any prior Security against any Security Asset; and/or
- (ii) procure the transfer of that Security 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 the Chargor.

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

- (c) If this Security is enforced at a time when no amount of the Secured Liabilities is due but at a time when any such amount may or will become due, the Secured Party (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

11. RECEIVER

11.1 Appointment of Receiver

- (a) Except as provided below, the Secured Party may 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; or
 - (ii) the Chargor so requests to the Secured Party at any time.
- (b) Any appointment under paragraph (a) of this Clause 11.1 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.

11.2 Removal

The Secured Party may by writing under its hand 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.

11.3 Remuneration

The Secured Party may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

11.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the 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 Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

11.5 Relationship with Secured Party

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 be exercised by the Secured Party in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

12. POWERS OF RECEIVER

12.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 12 in addition to those conferred on it by any law. This includes all the rights, powers and discretions conferred on a receiver 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/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

12.2 Removal of Assets

With a view to exercising any of its statutory powers or any of the other powers conferred by this Deed, the Secured Party or any Receiver appointed by the Secured Party may, following the statutory power of sale becoming exercisable pursuant to Clause 9.3 (*Statutory powers*), as agent for the Chargor and at the Chargor's expense (the costs of any of which may be deducted from any proceeds of sale) remove, store, sell or otherwise deal with any furniture or goods found upon the Mortgaged Property provided it shall have given the Chargor notice in writing to remove such furniture and goods and the Excluded Equipment and the Chargor has not removed such furniture and goods and the Excluded Equipment within a reasonable time given the nature and extent of such furniture, goods and Excluded Equipment provided that neither the Secured Party nor the Receiver shall be liable for any loss or damage to the furniture and goods thus occasioned to the Chargor and they shall be indemnified by the Chargor against any claims by third parties in respect thereof. No Excluded Equipment may be sold pursuant to this Clause unless the Chargor shall not have removed the Excluded Equipment within the said reasonable time for removing such equipment in which case the Secured Party may only sell any Excluded Equipment having also provided after such reasonable time for removal not less than 5 Business Days written notice to the Chargor providing details of which items of Excluded Equipment it intends to sell.

12.3 Possession

A Receiver may take immediate possession of, get in and realise any Security Asset.

12.4 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/she thinks fit.

12.5 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/she thinks fit.
- (b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

12.6 Leases

A Receiver may let, licence or hire out any Security Asset for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

12.7 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 the Chargor or relating in any way to any Security Asset.

12.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

12.9 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.

12.10 Delegation

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

12.11 Lending

A Receiver may lend money or advance credit to any person.

12.12 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which the 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; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

12.13 Other powers

A Receiver may:

- (a) do all other acts and things which he/she may consider necessary or desirable 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 law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

13. APPLICATION OF PROCEEDS

- (a) All amounts from time to time received or recovered by the Secured Party or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Secured Party and applied in the following order of priority:
 - (i) in or towards the discharge of the Secured Liabilities and in accordance with the Payment Deferral Agreement;
 - (ii) in respect of any surplus following discharge of the Secured Liabilities in full, in payment or distribution to any person to whom the Secured Party or Receiver is obliged by law to pay or distribute in priority to the Chargor; and
 - (iii) the balance, if any, in payment or distribution to the Chargor.

(b) This Clause 13:

- (i) is subject to the payment of any claims having priority over this Security; and
- (ii) does not prejudice the right of the Secured Party to recover any shortfall from the Chargor.

14. EXPENSES AND INDEMNITY

The Chargor must:

- (a) promptly following demand and in any event within 5 Business Days of demand pay to the Secured Party the amount of all costs and expenses (including legal fees) reasonably incurred by the Secured Party in connection with the enforcement of this Deed or the protection or preservation of any Security Asset (including any arising from any actual or alleged breach by any person of any law or regulation); and
- (b) keep the Secured Party indemnified against any failure or delay in paying those costs or expenses.

15. DELEGATION

15.1 Power of Attorney

The Secured Party or any Receiver may delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

15.2 Terms

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Secured Party or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Party.

15.3 Liability

Neither the Secured Party nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

16. FURTHER ASSURANCES

- (a) The Chargor must promptly, at its own expense, take whatever action the Secured Party or a Receiver may reasonably require for:
 - (i) creating, perfecting or protecting this Security; or
 - (ii) when an Enforcement Event is continuing, facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Secured Party or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- (b) The action that may be required under paragraph (a) of this Clause 16 includes:
 - (i) the execution of any mortgage, charge, transfer, conveyance or assurance of any Security Asset, whether to the Secured Party or to its nominees; or
 - (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Secured Party may consider necessary to give effect to this Security.

17. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Secured Party, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Chargor under or pursuant to this Deed which the Chargor has failed to carry out following written demand of the Secured Party or when an Enforcement Event is continuing, generally for enabling the Secured Party or any Receiver to exercise the respective powers conferred on them under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 17.

18. MISCELLANEOUS

18.1 Continuing Security

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

18.2 Tacking

The Secured Party must perform its obligations under the 2019 NAPS Agreement and the Payment Deferral Agreement (in respect of any obligation to make available further advances).

18.3 Chargor intent

The Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension, replacement or addition of or to the Payment Deferral Agreement.

18.4 New accounts

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the Chargor.
- (b) If that 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 Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

19. RELEASE

At the end of the Security Period the Secured Party must, at the request and cost of the Chargor, promptly take whatever action is necessary to release the Security Assets from this Security.

20. NOTICES

20.1 Receipt

All notices and communications under this Deed shall be in writing and in the English language and shall be deemed to have been received:

- (a) if posted, on the second Business Day, or in the case of airmail, on the fifth Business Day, following the day on which it was dispatched by first class mail postage prepaid or, as the case may be, airmail postage prepaid; or
- (b) if sent by email, when sent provided that the sender has not received a message that the email has not been received by the recipient; or
- (c) in the case of a written notice given by hand, on the day of actual delivery,

provided that a notice given in accordance with the above but received on a day which is not a Business Day or after normal business hours in the place of receipt shall only be deemed to have been received on the next Business Day.

20.2 Addresses

All notices or communications under this Deed shall be addressed as follows:

- (a) To the Chargor:

British Airways PLC

Attention: Andrew Fleming

Address: Waterside HDB3, PO Box 365, Harmondsworth, UB7 0GB

Email: [REDACTED]

- (b) To the Secured Party:

New Airways Pension Scheme Trustee Limited

Attention: Scheme Secretary

Address: Scheme Secretary, New Airways Pension Scheme Trustee Limited,
Waterside HAA1, Harmondsworth, UB7 0GB

Email: [REDACTED] with a copy to [REDACTED]

21. BINDING EFFECT AND TRANSFERS

21.1 Binding effect

This Deed shall be binding on and shall continue in full force for the benefit of any successor trustee from time to time of the Scheme.

21.2 Transfers

Subject to Clause 21.1 (*Binding effect*) neither Party may, without the prior written consent of the other Party (such consent not to be unreasonably withheld or delayed) assign or transfer all or any part of its rights or obligations under this Deed and no such assignment or transfer shall be effective in the absence of such consent.

22. REMEDIES CUMULATIVE

The provisions of this Deed and the rights and remedies of the Parties under this Deed are cumulative and are without prejudice and in addition to any rights or remedies such Party may have at law or in equity; no exercise by a Party of any one right or remedy under this Deed, or at law or in equity, shall (save to the extent, if any, provided expressly in this Deed, or at law or in equity) operate so as to hinder or prevent the exercise by it of any other such right or remedy. Each and every right and remedy may be exercised from time to time as often and in such order as may be deemed expedient by the Secured Party.

23. WAIVER

The rights of each of the Parties shall not be prejudiced or restricted by any indulgence or forbearance extended to another Party and no waiver by either Party in respect of any breach shall operate as a waiver in respect of any subsequent breach.

24. COUNTERPARTS

This Deed may be executed in more than one counterpart, each of which shall be deemed to constitute an original.

25. VARIATION

This Deed may not be released, discharged, supplemented, amended, varied or modified in any manner except by an instrument in writing signed by a duly authorised officer or representative of each of the Parties.

26. FORBEARANCE

No failure or delay by the Secured Party in exercising any right or remedy shall operate as a waiver thereof nor shall any single or partial exercise or waiver of any right or remedy prevent its further exercise or the exercise of any other right or remedy.

27. WHOLE AGREEMENT

This Deed supersedes all prior representations, arrangements, understandings and agreements between the Parties relating to the subject matter hereof and sets forth the entire complete and exclusive agreement and understanding between the Parties relating to the subject matter hereof; no Party has relied on any representation, arrangement, understanding or agreement (whether written or oral) not expressly set out or referred to in this Deed.

28. SEVERABILITY

If any term or provision in this Deed shall be held to be illegal or unenforceable, in whole or in part, such term or provision or part shall to that extent be deemed not to form part of this Deed and the enforceability of the remainder of this Deed shall not be affected.

29. GOVERNING LAW

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

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

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SCHEDULE 1
CHARGED TENANCY DOCUMENTS

No.	Date	Document	Parties	Premises
1.	16 June 2011	Agreement	(1) The Chargor and (2) Vodafone Limited	Rooftop at TBC East Base
2.	12 January 2018	Lease	(1) The Chargor and (2) Affini Technology Limited	Apparatus as defined in the Lease
3.	30 August 2018	Lease	(1) The Chargor and (2) Qantas Airways Limited	Office Rooms TBC-9-NW45 known as Windermere and TBC-9-NW47 known as Carlisle, Technical Block C, East Engineering Base
4.	22 February 2019	Agreement	(1) The Chargor and (2) Societe Internationale de Telecommunications Aeronautiques (SITA AC)	Technical Block C, East Base
5.	3 May 2019	Lease	(1) The Chargor and (2) Heathrow Airport	Technical Block C, East Base
6.	24 February 2020	Lease	(1) The Chargor and (2) MTHL Fleet Services Truck and Trailer Engineering LTD	Land fronting Viscount Way, British Airways Maintenance Base

SCHEDULE 2

FORM OF LETTER TO LANDLORD

To: Heathrow Airport Limited

Copy: New Airways Pension Scheme Trustee Limited (as Secured Party as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [●] 2021 between British Airways plc
and New Airways Pension Scheme Trustee Limited (the "Security Agreement")**

We refer to the lease dated 1 April 1995 made between Heathrow Airport Limited, British Airways plc and British Airways Associated Companies Limited (the "Lease").

This letter constitutes notice to you that under the Security Agreement we have charged by way of a first fixed charge in favour of New Airways Pension Scheme Trustee Limited (the "Secured Party") all our rights under the Lease.

We confirm that:

- (a) we will remain liable under the Lease to perform all the obligations assumed by us under the Lease; and
- (b) none of the Secured Party, 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 Lease.

We will also remain entitled to exercise all our rights, powers and discretions under the Lease, and you should continue to give notices under the Lease to us, unless and until you receive notice from the Secured Party to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and all notices must be given to, the Secured Party or as it directs.

The instructions in this letter apply until you receive notice from the Secured Party to the contrary and notwithstanding any previous instructions given by us.

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

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Secured Party at [●] with a copy to us.

Yours faithfully,

.....
(Authorised Signatory)
British Airways plc

ACKNOWLEDGEMENT OF LANDLORD

To: New Airways Pension Scheme Trustee Limited (as Secured Party)

Attention: [•]

[Date]

Dear Sirs,

**Security Agreement dated [•] 2021 between British Airways plc
and New Airways Pension Scheme Trustee Limited (the "Security Agreement")**

We confirm receipt from British Airways plc (the "**Chargor**") of a notice dated [•] (the "**Notice**") in relation to the Lease (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) have not received any notice of any prior security over the Lease (other than in favour of New Airways Pension Scheme Trustee Limited) or that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease.

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

Yours faithfully,

.....

For

Heathrow Airport Limited

SCHEDULE 3
FORM OF NOTICE TO INSURER

To: [Insurer]

Copy: New Airways Pension Scheme Trustee Limited

[Date]

Dear Sirs,

**Security Agreement dated [●] 2021 between British Airways plc
and New Airways Pension Scheme Trustee Limited (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement we have charged by way of first fixed charge in favour of New Airways Pension Scheme Trustee Limited (the "**Secured Party**") all our rights in respect of the East & West Maintenance Bases, Heathrow Airport, Hounslow under policy number [insert policy number] (the "**Insurance**").

We confirm that:

1. we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
2. none of the Secured Party, 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 Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Secured Party in respect of the Insurance), unless and until you receive notice from the Secured Party to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Secured Party or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Secured Party in respect of the Insurance).

We irrevocably instruct and authorise you to disclose to the Secured Party any information relating to the Insurance requested from you by the Secured Party.

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

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Secured Party at [address] with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

British Airways plc

Acknowledgement of Insurer

To: New Airways Pension Scheme Trustee Limited

Copy: British Airways plc

[Date]

Dear Sirs,

**Security Agreement dated [●] 2021 between British Airways plc
and New Airways Pension Scheme Trustee Limited (the "Security Agreement")**

We confirm receipt from British Airways plc (the "Chargor") of a notice dated [●] (the "Notice") of a first fixed charge on the terms of the Security Agreement of all the Chargor's rights in respect of the East & West Maintenance Bases, Heathrow Airport, Hounslow under policy number [insert policy number] (the "Insurance").

We confirm that we:

1. accept the instructions contained in the Notice and agree to comply with the Notice; and
2. will give notices and make payments under the Insurance as directed in the Notice.

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

Yours faithfully,

.....
(Authorised signatory)

[Insurer]

SCHEDULE 4
FORM OF NOTICE TO TENANTS

To: [Tenant]

Copy: New Airways Pension Scheme Trustee Limited

[Date]

Dear Sirs,

**Security Agreement dated [●] 2021 between British Airways plc
and New Airways Pension Scheme Trustee Limited (the "Security Agreement")**

We refer to the [lease]/[agreement] dated [●] and made between [●] and [●] (the "[Lease]/[Agreement]").

This letter constitutes notice to you that under the Security Agreement we have charged by way of first fixed charge in favour of New Airways Pension Scheme Trustee Limited (the "Secured Party") all our rights under the [Lease]/[Agreement].

We confirm that:

- (a) we remain liable under the [Lease]/[Agreement] to perform all the obligations assumed by us under the [Lease]/[Agreement]; and
- (b) none of the Secured Party, 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 [Lease]/[Agreement].

We confirm that all our rights, powers and discretions under the [Lease]/[Agreement] are now exercisable by, and all notices must be given to, the Secured Party or as it directs.

The instructions in this letter apply until you receive notice from the Secured Party to the contrary and notwithstanding any previous instructions given by us.

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

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Secured Party at [address] with a copy to us.

Yours faithfully,

.....
(Authorised Signatory)
British Airways plc

ACKNOWLEDGEMENT OF OCCUPATIONAL TENANT

To: New Airways Pension Scheme Trustee Limited

Copy: British Airways plc

[Date]

Dear Sirs,

**Security Agreement dated [●] 2021 between British Airways plc
and New Airways Pension Scheme Trustee Limited (the "Security Agreement")**

We confirm receipt from British Airways plc (the "Chargor") of a notice dated [●] (the "Notice") in relation to the [Lease]/[Agreement] (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) have not received any notice of any prior security over the [Lease]/[Agreement] or that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the [Lease]/[Agreement].

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

Yours faithfully,

.....
For
[Tenant]

SIGNATORIES TO THE SECURITY AGREEMENT

The Chargor

EXECUTED as a DEED by
BRITISH AIRWAYS PLC
acting by two directors or by a director and its
company secretary

DocuSigned by:
[Redacted]
61D1E35928654D7...
Director

DocuSigned by:
[Redacted]
3E711A34FDD1417...
Director/Secretary

The Secured Party

EXECUTED as a DEED by
**NEW AIRWAYS PENSION SCHEME TRUSTEE
LIMITED** acting by two directors or by a director
and its company secretary

DocuSigned by:
[Redacted]
37135FF2879A49B...
Director

DocuSigned by:
[Redacted]
DA8B183258DA46D...
Director/Secretary