

MR01

Particulars of a charge

232750/13



A fee is payable with this form.  
Please see 'How to pay' on the  
last page

You can use the WebFiling service to file this form online.  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument. Use form MF

For further information, please  
refer to our guidance at  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)  
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery



You **must** enclose a certified copy of the instrument with this form  
scanned and placed on the public record

FRIDAY



LD2

"L2EDLUA8"

09/08/2013

#67

COMPANIES HOUSE

For official use

1

**Company details**

Company number 07193500

Company name in full PREMIER LOTTERIES CAPITAL UK LIMITED ✓

0002

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

2

**Charge creation date**

Charge creation date 06/08/2013 ✓

3

**Names of persons, security agents or trustees entitled to the charge**

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name RBC EUROPE LIMITED ✓  
(AS SECURITY AGENT)

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge

MR01

Particulars of a charge

4

**Description**

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

**Continuation page**

Please use a continuation page if you need to enter more details

Description

5

**Fixed charge or fixed security**

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

**Floating charge**

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ Yes Continue

☒ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

**Negative Pledge**

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

MR01

Particulars of a charge

8

**Trustee statement ①**

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

**Signature**

Please sign the form here

Signature

Signature

X

*Allen & Jony LLP  
on behalf of the Charge*

X

This form must be signed by a person with an interest in the charge

# MR01

## Particulars of a charge

### Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name SEONAIID TODISCO

Company name ALLEN & OVERY LLP

Address ONE BISHOPS SQUARE

Post town LONDON

County/Region

Postcode E 1 6 A D

Country UNITED KINGDOM

DX

Telephone +44 (0)20 3088 0000

### Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy

### Important information

**Please note that all information on this form will appear on the public record.**

### How to pay

**A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.**

Make cheques or postal orders payable to 'Companies House'

### Where to send

**You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:**

**For companies registered in England and Wales:**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland.**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

**For companies registered in Northern Ireland.**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1

### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**



**FILE COPY**

## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 7193500

Charge code: 0719 3500 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th August 2013 and created by PREMIER LOTTERIES CAPITAL UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th August 2013.

CP

Given at Companies House, Cardiff on 13th August 2013



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

EXCEPT FOR MATERIAL REDACTED  
PURSUANT TO SECTION 859G OF THE COMPANIES  
ACT 2006 I CERTIFY THAT THIS IS A CORRECT  
COPY OF THE ORIGINAL DOCUMENT

ALLEN & OVERY LLP

*Allen & Overy LLP*  
8.8.13

## SECURITY AGREEMENT

DATED 6 AUGUST 2013

Between

**PREMIER LOTTERIES CAPITAL UK LIMITED**  
as Chargor

and

**RBC EUROPE LIMITED**  
as Security Agent

This Deed is entered into subject to  
the terms of an Intercreditor Agreement  
dated 19 March 2010, as amended and restated on 7 April 2010  
and as amended and restated on 6 August 2013

**ALLEN & OVERY**

Allen & Overy LLP

0011398-0004420 BK 24762786 6

## CONTENTS

Clause	Page
1 Interpretation.....	1
2 Creation of Security.. ..	3
3 Restrictions on Dealings.. ..	4
4 Representations.. ..	5
5 Shares .. ..	6
6 Relevant Contracts .. ..	8
7 When Security becomes Enforceable .. ..	8
8 Enforcement of Security .. ..	8
9 Receiver .. ..	10
10 Powers of Receiver .. ..	11
11 Application of Proceeds .. ..	12
12 Expenses and Indemnity.. ..	13
13 Delegation .. ..	13
14 Further Assurances .. ..	13
15 Power of Attorney.. ..	14
16 Preservation of Security .. ..	14
17. Miscellaneous .. ..	16
18. Release .. ..	17
19 Counterparts .. ..	17
20 Governing Law .. ..	17
21. Enforcement .. ..	17

## Schedule

1.	Security Assets.. . . . .	19
Part 1	Shares.. . . . .	19
Part 2	Relevant Contracts ... . . . .	20
2	Forms of Letter for Relevant Contracts.. . . . .	21
Part 1	Notice to Counterparty . . . . .	21
Part 2	Acknowledgement of Counterparty . . . . .	23
	Signatories ... . . . .	24



THIS DEED is dated 6 August 2013 and made BETWEEN

- (1) **PREMIER LOTTERIES CAPITAL UK LIMITED** (registered number 7193500) with its registered office at Tolpits Lane, Watford, WD18 9RN (the **Chargor**), and
- (2) **RBC EUROPE LIMITED** as agent and trustee for the Secured Parties (as defined below) (the **Security Agent**)

## **BACKGROUND**

- (A) The Chargor enters into this Deed in connection with the Group Facility 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

**IT IS AGREED** as follows

## **1. INTERPRETATION**

### **1.1 Definitions**

In this Deed.

**Act** means the Law of Property Act 1925

**Agent** means the Group Facility Agent, the Regulated RCF Agent and each Qualifying NRD Representative (if any)

**Company** means Premier Lotteries UK Limited.

**Declared Default** means an Event of Default in respect of which any notice demanding repayment of amounts due under the Secured Debt Documents has been served in accordance with the terms of the applicable Secured Debt Documents by the relevant Agent.

**Discharge Date** means the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

**Effective Time** has the meaning given to that term in the amendment and restatement agreement dated on or about the date of this Deed made between, among others, the Company and the Security Agent pursuant to which the Intercreditor Agreement is amended and restated.

**Event of Default** has the meaning given to that term in the Intercreditor Agreement

**Group Facility Agent** means The Royal Bank of Scotland plc as agent for the lenders under the Group Facility Agreement.

**Group Facility Agreement** means the group facility agreement dated on or about the date of this Deed and made between, among others, the Company, the Group Facility Agent and the Security Agent.

**Intercreditor Agreement** means the intercreditor agreement dated 19 March 2010, as amended and restated on 7 April 2010 and as amended and restated on or about the date of this Deed and made

between, among others, the Chargor, the Company, the Security Agent, the Group Facility Agent and the Regulated RCF Agent

**Lottery Assets** means those assets defined as 'Lottery Assets' in the Lottery Security Trust Deed

**Obligor** means each Obligor as defined in the Group Facility Agreement.

**Party** means a party to this Deed.

**Receiver** means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed.

**Regulated Facility Agreement** means the regulated facility agreement dated 19 March 2010, as amended on 25 March 2010, as amended and restated on 7 April 2010, as amended and restated on 30 June 2010, as amended on 1 December 2011 and as amended and restated on or about the date of this Deed and made between, among others, the Company, Camelot UK Lotteries Limited, the Regulated RCF Agent and the Security Agent.

**Regulated RCF Agent** means RBC Europe Limited as agent for the lenders under the Regulated Facility Agreement

**Relevant Contract** means any agreement between the Chargor and the Company evidencing the terms of any Subordinated Debt.

**Repeating Representations** means each of the representations set out in Clause 4.2 (Status) to Clause 4.6 (Validity and admissibility in evidence) and paragraph (a) of Clause 4.7 (Nature of security).

**Secured Debt Documents** has the meaning given to that term in the Intercreditor Agreement.

**Secured Liabilities** means all liabilities and all other present and future obligations at any time owing or incurred by any member of the Group and by each Debtor to any Secured Party under the Secured Debt Documents whether actual or contingent and whether owed jointly or severally and as principal or surety or in any other capacity whatsoever, except for any obligation or liability which, if it were so included, would result in this Deed contravening any law (including, without limitation, section 678 or section 679 of the Companies Act 2006)

**Secured Parties** has the meaning given to that term in the Intercreditor Agreement

**Security Assets** means all assets of the Chargor the subject of this Security

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

**Shares** means all shares in the Company the subject of this Security

## **1.2 Construction**

- (a) Capitalised terms defined in the Intercreditor Agreement or, if not defined in the Intercreditor Agreement, the Group Facility Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- (b) This Deed is subject to the terms (including but not limited to clause 14 (Enforcement of Transaction Security)) of the Intercreditor Agreement

- (c) The provisions of clause 1.2 (Construction) of the Group Facility Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Group Facility Agreement will be construed as references to this Deed
- (d) The term
  - (i) **Secured Debt Document** includes all amendments and supplements including supplements providing for further advances;
  - (ii) **this Security** means any security created by this Deed;
  - (iii) **certificated** has the meaning given to it in the Uncertificated Securities Regulations 2001, and
  - (iv) **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.
- (e) Any covenant of the Chargor under this Deed remains in force during the Security Period and is given for the benefit of each Secured Party.
- (f) Unless the context otherwise requires, a reference to a Security Asset includes
  - (i) any part of that Security Asset;
  - (ii) any proceeds of that Security Asset, and
  - (iii) any present and future assets of that type which are the subject of this Security.

### **1.3 Effectiveness**

Each provision of this Deed other than this Clause 1 will take effect on and from the Effective Time.

## **2. CREATION OF SECURITY**

### **2.1 General**

- (a) All this Security:
  - (i) is created in favour of the Security Agent;
  - (ii) is created over present and future assets of the Chargor,
  - (iii) is security for the payment, discharge and performance of all the Secured Liabilities; and
  - (iv) is made, subject to any Permitted Security, with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) The Security Agent holds the benefit of this Deed of trust for the Secured Parties.
- (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.

## **2.2 Shares**

- (a) The Chargor charges by way of a first fixed charge all shares in the Company owned by it or held by any nominee on its behalf; this includes any specified in Part 1 of Schedule 1 (Security Assets) opposite its name.
- (b) A reference in this Deed to any share includes.
  - (i) any dividend, interest or other distribution paid or payable,
  - (ii) any right, money or property accruing 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, and
  - (iv) any right under any custodian or other agreement,in relation to that share.

## **2.3 Contracts**

- (a) The Chargor charges by way of first fixed charge all of its rights in respect of its Relevant Contracts
- (b) To the extent that any right described in paragraph (a) above is not chargeable or capable of being charged, the charge of that right purported to be effected by paragraph (a) shall operate as a charge of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right.

## **2.4 Security limitations**

In no circumstance shall Security be granted or purported to be granted under or pursuant to this Deed in respect of:

- (a) any Lottery Asset,
- (b) any agreement or asset subject to restrictions on Security pursuant to the terms of the Licence or any other regulatory requirement, any Security Trust Deed or the Priority Deed,
- (c) any agreement or asset which would require the consent of any third party to such Security being provided; or
- (d) any agreement or asset to the extent that taking Security over such agreement or asset would breach applicable law and/or be reasonably likely to result in any employee, officer or director of the Chargor incurring personal liability as a result of granting or entering into any arrangement to grant such Security.

## **3. RESTRICTIONS ON DEALINGS**

- (a) The Chargor may not:
  - (i) create or allow to exist any Security on any of its Security Assets, or
  - (ii) either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily dispose of all or any part of its Security Assets,

unless expressly permitted or not otherwise prohibited under the Group Facility Agreement and the other Secured Debt Documents.

- (b) Prior to the occurrence of a Declared Default, and thereafter if the Security Agent so consents, the Chargor shall be free to deal with the Security Assets and any rights, remedies or waiver it may have in relation thereto in the ordinary course of business to the extent the same is expressly permitted or not otherwise prohibited under the terms of the Secured Debt Documents

#### **4. REPRESENTATIONS**

##### **4.1 Representations**

The Chargor makes the representations and warranties set out in this Clause 4 to each Secured Party

##### **4.2 Status**

- (a) It is a limited liability corporation duly incorporated and validly existing under the laws of England.
- (b) It has the power to own its assets and carry on its business as it is being conducted

##### **4.3 Binding obligations**

- (a) Subject to the Legal Reservations, the obligations expressed to be assumed by it this Deed are legal, valid, binding and enforceable obligations
- (b) Subject to the Legal Reservations and the Perfection Requirements, this Deed creates the security interests which it purports to create and those security interests are valid and effective.

##### **4.4 Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by this Deed and the granting of this Security do not and will not conflict with

- (a) any law or regulation applicable to it,
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument, in each case to the extent such default or termination event would have or is reasonably likely to have a Material Adverse Effect

##### **4.5 Power and authority**

- (a) 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
- (b) No limit on its powers will be exceeded as a result of the grant of security by it contemplated by this Deed.

##### **4.6 Validity and admissibility in evidence**

- (a) Subject to the Legal Reservations and the Perfection Requirements, all Authorisations required or desirable

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed; and

(ii) to make this Deed admissible in evidence in its Relevant Jurisdictions,

have been (or will at the required date be) obtained or effected and are (or will at the required date be) in full force and effect except any registration of particulars of this Deed at the Companies Registration Office under the Companies Act 2006 and payment of associated fees, which Authorisations will be obtained or effected and payment made, in each case promptly after the date of this Deed.

(b) All Authorisations necessary for the conduct of the business, trade and ordinary activities of the Chargor have been (or will at the required date be) obtained or effected and are (or will at the required date be) in full force and effect except to the extent that the failure to obtain or effect those Authorisations would not reasonably be expected to have a Material Adverse Effect

#### **4.7 Nature of security**

(a) This Deed creates the Security it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise

(b) The Shares are fully paid up and are not subject to any option to purchase or similar right. Except as provided under the terms of the Management Incentivisation Plan, there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of the Company (including any option or right of pre-emption or conversion)

(c) Subject to the impact of any regulatory requirements, including the Licence, the Chargor is the sole legal and beneficial owner of the Security Assets.

#### **4.8 Times for making representations**

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

(b) The Repeating Representations are deemed to be made by the Chargor by reference to the facts and circumstances then existing on the date of each Utilisation Request and on the first date of each Interest Period

### **5. SHARES**

#### **5.1 Certificated Shares**

As soon as possible after its acquisition of any Share, the Chargor must:

(a) immediately deposit with the Security Agent, or as the Security Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership held by it in relation to that Share, and

(b) promptly take any action and execute and deliver to the Security Agent any share transfer or other document which may be reasonably requested by the Security Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to that Share

## **5.2 Changes to rights**

The Chargor may not (except to the extent expressly permitted or not otherwise prohibited by the Secured Debt Documents and the Intercreditor Agreement) take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Shares being altered or further Shares being issued

## **5.3 Other obligations in respect of Investments**

No Secured Party will be required in any manner to:

- (a) perform or fulfil any obligation of the Chargor,
- (b) make any payment,
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount,

in respect of any Share.

## **5.4 Voting rights**

- (a) Before this Security becomes enforceable (or, after this Security becomes enforceable, with the consent of the Security Agent), the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Shares provided that such exercise does not cause or result in the occurrence of an Event of Default
- (b) Before this Security becomes enforceable (or, after this Security becomes enforceable, with the consent of the Security Agent), all dividends or other income or distributions paid or payable in relation to any Shares must be paid to the Chargor.
- (c) After this Security has become enforceable, the Security 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 Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor
- (d) To the extent that the Shares remain registered in the name of the Chargor, the Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Shares at any time after this Security has become enforceable
- (e) The Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of its Shares on the direction of the Chargor

## **6. RELEVANT CONTRACTS**

### **6.1 Rights**

Before this Security has become enforceable, the Chargor may exercise all of its rights and receive and utilise moneys paid to it under any Relevant Contract

### **6.2 Notices of charge**

Upon this Security becoming enforceable, the Chargor must:

- (a) promptly following a request from the Security Agent to undertake the same, serve a notice of charge, substantially in the form of Part 1 of Schedule 2 (Forms of letter for Relevant Contracts), on each of the other parties to each of its Relevant Contracts; and
- (b) procure that each of those other parties acknowledges that notice, substantially in the form of Part 2 of Schedule 2 (Forms of letter for Relevant Contracts)

## **7. WHEN SECURITY BECOMES ENFORCEABLE**

### **7.1 Timing**

This Security will become immediately enforceable if a Declared Default occurs and the Security Agent gives notice to the Chargor that this Security is enforceable.

### **7.2 Enforcement**

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in any manner it sees fit or as the Majority Lenders properly direct.

### **7.3 Consent of the Commission**

The Security Agent confirms that, notwithstanding any other term of any Finance Document, upon this Security becoming enforceable it will not enforce any of this Security which is granted in respect of any Shares without having first obtained the written consent of the Commission where such consent is required pursuant to the terms of any applicable law, the Licence or any other regulatory requirement

## **8. ENFORCEMENT OF SECURITY**

### **8.1 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
- (b) For the purposes of all powers implied by law, the Secured Liabilities are deemed to have become due and payable on the date of this Deed but all powers of enforcement relating to the Secured Liabilities are only to be exercisable if a Declared Default has occurred.
- (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.



## **8.2 No liability as mortgagee in possession**

Neither the Security 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 default or omission for which a mortgagee in possession might be liable,
- save to the extent such liability arises as a result of its gross negligence or wilful misconduct.

## **8.3 Privileges**

Each Receiver and the Security 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) except that Section 103 of the Act does not apply.

## **8.4 Protection of third parties**

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

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

## **8.5 Redemption of prior mortgages**

- (a) At any time after this Security has become enforceable, the Security Agent 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 Security Agent, within three Business Days of written demand, the costs and expenses properly incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

## **8.6 Contingencies**

If this Security is enforced at a time when no amount is due under the Secured Debt Documents but at a time when amounts may reasonably or will become due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into such number of interest-bearing suspense accounts as it considers appropriate, provided always that the proceeds of recovery held in any suspense account will be immediately applied to such amounts as they become due

## **9. RECEIVER**

### **9.1 Appointment of Receiver**

- (a) Except as provided below, the Security Agent 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 the Security 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 chargee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security 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 section 1A to the Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security 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.

### **9.2 Removal**

The Security 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.

### **9.3 Remuneration**

The Security Agent, acting reasonably and taking into account prevailing market rates, 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

### **9.4 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 is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver save to the extent caused by the gross negligence or wilful misconduct of 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 save to the extent caused by the gross negligence or wilful misconduct of a Secured Party

### **9.5 Relationship with Security 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 be

exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver or notwithstanding the appointment of a Receiver

## **10. POWERS OF RECEIVER**

### **10.1 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.
- (c) The rights of any Receiver or any of its delegates under this Clause 10 are subject to the terms of the Intercreditor Agreement, any applicable law, the Licence and any other regulatory requirement applicable to the Chargor or its Security Assets.

### **10.2 Possession**

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

### **10.3 Carry on business**

A Receiver may carry on any business of the Chargor in any manner he (acting reasonably) thinks fit

### **10.4 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 (acting reasonably and taking into account prevailing market rates) or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor

### **10.5 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 (acting reasonably) thinks fit

### **10.6 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 (acting reasonably) 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 (acting reasonably) thinks fit.

#### **10.7 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 with respect to any Security Asset or otherwise relating in any way to any Security Asset

#### **10.8 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he (acting reasonably) thinks fit

#### **10.9 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.

#### **10.10 Subsidiaries**

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset

#### **10.11 Delegation**

A Receiver may delegate his powers in accordance with this Deed

#### **10.12 Other powers**

A Receiver may:

- (a) do all other acts and things which he (acting reasonably) 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 the Chargor for any of the above purposes

### **11. APPLICATION OF PROCEEDS**

Unless otherwise determined by the Security Agent or a Receiver, any moneys received by the Security Agent or that Receiver after this Security has become enforceable must be applied by the Security Agent in the following order of priority.

- (a) in or towards payment of or provision for all costs and expenses properly incurred by the Security Agent or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in payment to the Agents for application towards the balance of the Secured Liabilities in accordance with the terms of the Intercreditor Agreement; and

- (c) in payment of the surplus (if any) to the Chargor or other person entitled to it

This Clause is subject to the payment of any claims having priority over this Security and to the terms of the Intercreditor Agreement. This Clause does not prejudice the right of any Secured Party to recover any shortfall from the Chargor

## **12. EXPENSES AND INDEMNITY**

The Chargor must:

- (a) within three Business Days of written demand pay all costs and expenses (including legal fees) properly incurred in connection with this Deed by any Secured Party including any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise, and
- (b) keep each of those persons indemnified against any failure or delay in paying those costs and expenses

## **13. DELEGATION**

### **13.1 Power of Attorney**

The Security 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

### **13.2 Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) which the Security Agent or any Receiver may (acting reasonably) think fit, provided always that the obligations and duties owed by such a delegate are no less than those which apply under the terms of this Deed to the Security Agent or any Receiver.

### **13.3 Liability**

Neither the Security Agent nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate, save to the extent such liability arises as a result of the gross negligence or wilful misconduct of the Security Agent or any Receiver or as a result of the Security Agent or any Receiver breaching its obligations under this Deed

## **14. FURTHER ASSURANCES**

- (a) Subject to the Agreed Security Principles and the terms of any Priority Deed, the Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent or any Receiver may reasonably specify (and in such form as the Security Agent or such Receiver may reasonably require in favour of the Security Agent or such Receiver or its nominee(s))
  - (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Security Agent or any Receiver or any of their delegates or sub-delegates provided by or pursuant to this Deed or by law,

- (ii) to confer on the Security Agent, Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or
  - (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of this Security
- (b) Subject to the Agreed Security Principles, the Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent by or pursuant to this Deed.

## **15. POWER OF ATTORNEY**

Upon the occurrence of a Declared Default, the Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and each of their respective delegates and sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause to satisfy the obligations of the Chargor under this Deed.

## **16. PRESERVATION OF SECURITY**

### **16.1 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.

### **16.2 Reinstatement**

If any payment by an Obligor or any discharge given by a Finance Party (whether in respect of the obligations of any Obligor 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 Obligor will continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) each Finance Party will be entitled to recover the value or amount of that Security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred.

### **16.3 Waiver of defences**

The obligations of the 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 (without limitation and whether or not known to it or any Secured Party). This includes

- (a) any time, waiver or consent granted to, or composition with, any person,
- (b) any release of any 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 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 any person,
- (e) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Secured Debt Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Secured Debt Document or other document or security,
- (f) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Secured Debt Document or any other document or security, or
- (g) any insolvency or similar proceedings.

#### **16.4 Immediate recourse**

- (a) The Chargor waives any right it may have of first requiring any 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 Obligor or any other person before claiming from the Chargor under this Deed.
- (b) This waiver applies irrespective of any law or any provision of a Secured Debt Document to the contrary

#### **16.5 Appropriations**

Until all amounts which may be or become payable by the Obligors under or in connection with the Secured Debt Documents have been irrevocably paid in full, each Secured Party (or any trustee or agent on its behalf) may without affecting the liability of the Chargor under this Deed

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

provided always that if the amounts in aggregate held by the Secured Parties in respect of the Chargor (whether held on their own account or held in any suspense account) are sufficient to discharge any part of the Secured Liabilities, then the amounts so held shall be immediately applied by each such Secured Party towards the discharge of the Secured Liabilities

#### **16.6 Non-competition**

Unless.

(a) all amounts which may be or become payable by the Obligors under or in connection with the Secured Debt Documents have been irrevocably paid in full, or

(b) the Security Agent otherwise directs,

the Chargor will not, 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 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 the Chargor's liability under this Clause,

(iii) claim, rank, prove or vote as a creditor of any Obligor or its estate in competition with any Secured Party (or any trustee or agent on its behalf) in respect of any payment made or moneys received on account of the Chargor's liabilities under this Security; or

(iv) after this Security has become enforceable, receive, claim or have the benefit of any payment, distribution or Security from or on account of any Obligor, or exercise any right of set-off as against any Obligor.

The Chargor must hold in trust for and must immediately pay or transfer to the Security Agent for the Secured Parties any payment or distribution or benefit of Security received by it, after deducting reasonably incurred costs and expenses (including amounts retained to provide for potential liabilities) and any Tax incurred or provided for in connection therewith, received by it contrary to this Clause or in accordance with any directions given by the Security Agent under this Clause

#### **16.7 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 Secured Party

(b) No prior Security held by any Secured Party (in its capacity as such or otherwise) over any Security Asset will merge into this Security

#### **16.8 Security held by Chargor**

Save to the extent arising by operation of law, the Chargor may not, without the prior consent of the Security Agent, hold any security from any other Obligor in respect of the Chargor's liability under this Deed. The Chargor will hold any security held by it in breach of this provision on trust for the Security Agent.

### **17. MISCELLANEOUS**

#### **17.1 Limitation on Recourse**

Notwithstanding any other provision of this Deed, it is the intention of the Parties that recourse in respect of the liabilities of the Chargor under this Deed be limited to the Security Assets. Accordingly, no action may be taken to recover any sums due under this Deed other than by enforcement of this Security. Nothing in this Clause 17.1 shall prevent any action being taken for an injunction, order for specific performance or similar order in relation to the obligations under this Deed of the Chargor other than in respect of the payment of money.



## **17.2 Tacking**

Each Lender, howsoever defined under each Secured Debt Document, must perform its obligations under the Group Facility Agreement or other Secured Debt Document (including any obligation to make available further advances).

## **17.3 New Accounts**

- (a) If any subsequent charge or other interest affects any Security Asset which is not permitted under the terms of the Intercreditor Agreement, any Secured Party may open a new interest-bearing account with any Obligor.
- (b) If a 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 interest-bearing account and will not operate to reduce any Secured Liability.

## **17.4 Time deposits**

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

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

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

## **18. RELEASE**

At the end of the Security Period, the Security Agent must, at the request and cost of the Chargor, take whatever action is reasonably necessary to release the Security Assets from this Security

## **19. 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

## **20. GOVERNING LAW**

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

## **21. ENFORCEMENT**

- (a) The courts of England have exclusive jurisdiction to settle any dispute including a dispute relating to non-contractual obligations arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**)

- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (c) This Clause 21 is for the benefit of the Secured Parties only As a result, to the extent allowed by law
  - (i) no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction; and
  - (ii) the Secured Parties may take concurrent proceedings in any number of jurisdictions.

**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**

**SHARES**

<b>Chargor</b>	<b>Name of company in which shares are held</b>	<b>Class of shares held</b>	<b>Number of shares held</b>
Premier Lotteries Capital UK Limited	Premier Lotteries UK Limited	Ordinary A	990,001

**PART 2**  
**RELEVANT CONTRACTS<sup>1</sup>**

<b>Chargor</b>	<b>Description</b>
Premier Lotteries Capital UK Limited	None

---

<sup>1</sup> Bakers/Camelot to complete

## **SCHEDULE 2**

### **FORMS OF LETTER FOR RELEVANT CONTRACTS**

#### **PART 1**

##### **NOTICE TO COUNTERPARTY**

To. Premier Lotteries UK Limited

Copy. RBC Europe Limited

[Date]

Dear Sirs,

**Security agreement dated [●] August 2013 between Premier Lotteries Capital UK Limited, (as Chargor) and RBC Europe Limited as Security Agent (the Security Agreement)**

This letter constitutes notice to you that under the Security Agreement, the Chargor has charged in favour of the Security Agent as agent and trustee for the Secured Parties referred to in the Security Agreement as first priority chargee all of its rights in respect of [insert details of Relevant Contract(s)] (the **Relevant Contract[s]**).

We confirm that the security under the Security Agreement has become enforceable in accordance with its terms.

On behalf of the Chargor, we confirm that

- (a) the Chargor will remain liable under each Relevant Contract to perform all the obligations assumed by it under that Relevant Contract; and
- (b) none of the Security 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 any Relevant Contract

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

Please send to the Security Agent at

[RBC Europe Limited  
[Thames Court  
One Queenhithe  
London EC4V 3DQ  
Fax: +44 (0)20 7029 7922  
Attention Bob Bell / Johnson Tse,]

with a copy to us, 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 and any non-contractual obligation arising out of or in connection with it are governed by English law

Yours faithfully,

.....  
(Authorised signatory)

For Premier Lotteries Capital UK Limited

## **PART 2**

### **ACKNOWLEDGEMENT OF COUNTERPARTY**

To RBC Europe Limited

Copy Premier Lotteries UK Limited

[Date]

Dear Sirs,

**Security agreement dated [●] August 2013 between Premier Lotteries UK Capital Limited (as Chargor) and RBC Europe Limited as Security Agent (the Security Agreement)**

We confirm receipt from Premier Lotteries Capital UK Limited of a notice dated [●] of a charge on the terms of the Security Agreement of all of the Chargor's rights in respect of [insert details of the Relevant Contract(s) (the **Relevant Contracts**)].

We confirm that we:

1. accept the instructions contained in the notice and agree to comply with the notice;
2. have not received notice of the interest of any third party in any of the Relevant Contracts,
3. undertake to disclose to you without any reference to or further authority from the Chargor any information relating to any of the Relevant Contracts which you may at any time request;
4. undertake to notify you of any breach by the Chargor of any of the Relevant Contracts and to allow you or any of the other Secured Parties referred to in the Security Agreement) to remedy that breach, and
5. undertake not to amend or waive any term of or terminate any of the Relevant Contracts on request by the Chargor without your prior written consent except as expressly permitted or not otherwise prohibited by the Secured Debt Documents

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

Yours faithfully,

.....  
(Authorised signatory)

[Counterparty]

**SIGNATORIES**

**Premier Lotteries Capital UK Limited**

Executed as a deed by )  
Premier Lotteries Capital UK Limited )  
acting by )

.....  
Director

LINO LOUIS SIENNA

in the presence of:

Witness's signature:.....

Name: ANNE MARIE SIENNA

Address:.....



The Security Agent

EXECUTED as a DEED by  
RBC EUROPE LIMITED  
acting by its attorney under a duly  
executed power of attorney

)  
)  
)  
)



in the presence of:

Witness Name. Ronan Breen

Witness Signature. 

Witness Address.

RBC EUROPE LIMITED  
GROUND FLOOR  
THAMES COURT  
ONE QUEENHITHE  
LONDON EC4V 3DQ

Witness Occupation.

Banker