



Registration of a Charge

Company name: **MCLAREN RACING LIMITED**

Company number: **01517478**

Received for Electronic Filing: **20/12/2017**



X6LP2PA2

Details of Charge

Date of creation: **20/12/2017**

Charge code: **0151 7478 0010**

Persons entitled: **RON DENNIS CBE**

Brief description:

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.**

Certified by: **HERBERT SMITH FREEHILLS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1517478

Charge code: 0151 7478 0010

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th December 2017 and created by MCLAREN RACING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th December 2017 .

Given at Companies House, Cardiff on 21st December 2017

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



HERBERT
SMITH
FREEHILLS

EXECUTION VERSION

DATED 20 December 2017

MCLAREN RACING LIMITED

as the Chargor

and

RON DENNIS CBE

acting as the Secured Party

SECURITY AGREEMENT

Herbert Smith Freehills LLP

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THIS SECURITY AGREEMENT is made on 20 December-

2017

BETWEEN:

- (1) **MCLAREN RACING LIMITED** (a company registered in England and Wales with registration number 01517478 and its registered office at McLaren Technology Centre, Chertsey Road, Woking, Surrey, GU21 4YH) (the "**Chargor**"); and
- (2) **RON DENNIS CBE** of [REDACTED] (the "**Secured Party**", which expression includes his successors and assigns).

IT IS AGREED as follows:

1. DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS

1.1 Definitions

1.1.1 Terms defined in the Sale and Purchase Agreement shall, unless otherwise defined in this Deed or unless a contrary intention appears, bear the same meaning when used in this Deed and the following terms shall have the following meanings:

"Charged Assets" means the assets mortgaged, charged or assigned pursuant to Clause 3 (*Fixed Security*) of this Deed.

"Chattel" means the vehicle described in Schedule 1 (*Chattel*) (including any component parts of that asset from time to time held by the Chargor (whether or not attached to that asset)), together with all additions, alterations or modifications of or to that asset from time to time.

"Default" means any of the following events or circumstances:

- (A) the Purchaser does not pay, or declares it will not pay, the second instalment of Deferred Consideration (being £37.5 million) under and in accordance with the terms of the Sale and Purchase Agreement;
- (B) the Chargor does not comply with any provision of this Deed provided that such breach has not been remedied within 30 days of its occurrence;
- (C) any representation or statement made or deemed to be made by the Chargor in this Deed is or proves to have been incorrect or misleading when made or deemed to be made provided that such breach has not been remedied within 30 days of its occurrence;
- (D) any Relevant Company:
 - (1) is unable or admits inability to pay its debts as they fall due;
 - (2) is deemed to, or is declared to, be unable to pay its debts under applicable law; or
 - (3) suspends or threatens to suspend making payments on any of its debts;
- (E) the value of the assets of any Relevant Company is less than its liabilities (taking into account contingent and prospective liabilities);
- (F) a moratorium is declared in respect of any indebtedness of any Relevant Company;

- (G) any corporate action, legal proceedings or other formal procedure or formal step is taken in relation to:
- (1) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Relevant Company;
 - (2) a composition, compromise, assignment or arrangement with any creditor of any Relevant Company;
 - (3) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Relevant Company or any of its assets; or
 - (4) the enforcement of any Security over any assets of any Relevant Company;
- or any analogous procedure or step is taken in any jurisdiction (except that this paragraph (G) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 30 days of commencement);
- (H) any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any Charged Asset;
- (I) any:
- (1) financial indebtedness of any Relevant Company is not paid when due nor within any originally applicable grace period; or
 - (2) financial indebtedness of any Relevant Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);
- provided that no Default will occur under this paragraph (i) if the aggregate amount of financial indebtedness or commitment for financial indebtedness falling within sub-paragraphs (1) to (2) above is less than £25,000,000 (or its equivalent in any other currency or currencies);
- (J) the Chargor is not or ceases to be a Subsidiary of the Purchaser;
- (K) the Chargor repudiates or purports to repudiate this Deed.

"F1 Cars Mortgage" means the security agreement dated 20 July 2017 between the Chargor and the Secured Party.

"Insurance Policies" means all present and future contracts or policies of insurance in which the Chargor has an interest or in which it may from time to time have an interest (whether solely, jointly, as loss payee or otherwise) insuring the Chattel.

"Insurance Proceeds" means all monies from time to time payable to the Chargor under or pursuant to the Insurance Policies, including (without limitation) the refund of any premiums, insofar as they relate to the insurance of the Chattel.

"LPA" means the Law of Property Act 1925.

"Receiver" means any person appointed by the Secured Party to be a receiver or receiver and manager or administrative receiver of any property subject to the security created by this Deed.

"Related Property Rights" means, where used in relation to a particular property, asset (or class of assets) or right, the following:

- (A) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);
- (B) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property, asset (or class of assets) or right; and
- (C) all rights under any agreement for lease, sale or use in respect of such property or asset.

"Relevant Company" means the Chargor, the Purchaser, MTGL and MAL.

"Reservations" means:

- (A) the principle that equitable remedies may be granted or refused at the discretion of a court and limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (B) the time barring of claims under the Limitation Act 1980 and the Foreign Limitation Periods Act 1984, the possibility that an undertaking to assume liability for or indemnify a person against non-payment UK stamp duty may be void and defences of set-off counterclaim; and
- (C) any qualifications or reservations typically found in legal opinions issued by leading law firms delivered to financial institutions in relation to debt financings in England and Wales.

"Sale and Purchase Agreement" means the sale and purchase agreement dated 7 June 2017 between the Secured Party as seller, NMG Bidco Limited (formerly NMG Bidco Plc) as purchaser and Bahrain Mumtalakat Holding Company B.S.C.(c) as BMHC.

"Secured Liabilities" means the Purchaser's obligation to pay the second instalment of Deferred Consideration (being £37.5 million) under and in accordance with the terms of the Sale and Purchase Agreement and all present and future moneys, debts and liabilities due, owing or incurred by the Chargor to the Secured Party under this Deed.

"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 Period" means the period from the date of this Deed until the date on which all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full.

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"VAT" means United Kingdom Value Added Tax together with all interest and penalties relating thereto.

1.1.2 Unless a contrary intention appears, words defined in the Companies Act 2006 have the same meanings in this Deed.

1.2 Construction and Third Party Rights

1.2.1 Unless a contrary indication appears, any reference in this Deed to:

- (A) the singular includes the plural and vice versa;
- (B) the **"Secured Party"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (C) **"assets"** includes present and future properties, revenues and rights of every description;
- (D) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- (E) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (F) a provision of law is a reference to that provision as amended or re-enacted;
- (G) a Clause or a Schedule is a reference to a clause of or schedule to this Deed;
- (H) this Deed shall be construed as references also to any separate or independent stipulation or agreement contained in it;
- (I) another agreement (including the Sale and Purchase Agreement) shall be construed as a reference to such agreement as the same may have been modified, extended, amended, varied or supplemented or novated from time to time;
- (J) references to any form of property or asset (including a Charged Asset) shall include a reference to all or any part of that property or asset);
- (K) a Default is **"continuing"** if it has not been remedied or waived; and
- (L) the word **"including"** is without limitation.

1.2.2 Clause and Schedule headings are for ease of reference only.

1.2.3 The terms of this Deed may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.

1.3 Implied Covenants for Title

The obligations of the Chargor under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.4 Effect as a Deed

This Deed is intended to take effect as a deed notwithstanding that the Secured Party may have executed it under hand only.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

To the extent necessary for any agreement for the disposition of the Charged Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Sale and Purchase Agreement and of any side letters between the parties to this Deed are incorporated into this Deed.

2. COVENANTS TO PAY

2.1 Covenant to Pay Secured Liabilities

The Chargor covenants with the Secured Party to pay or discharge on demand the Secured Liabilities when the same become due for payment or discharge in accordance with the terms of the Sale and Purchase Agreement or this Deed (as applicable), or if no time is specified for payment, immediately on demand by the Secured Party.

2.2 Potential Invalidity

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Liabilities*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant or security to be unlawful under any applicable law.

2.3 Limited Recourse

Notwithstanding Clause 2.1 (*Covenant to Pay Secured Liabilities*):

2.3.1 the liability of the Chargor to the Secured Party under Clause 2.1 (*Covenant to Pay Secured Liabilities*) shall be:

- (A) limited in aggregate to an amount equal to that recovered by the Secured Party as a result of the enforcement of this Deed with respect to the Charged Assets; and
- (B) satisfied only from the proceeds of sale or other disposal or realisation of the Charged Assets pursuant to this Deed; and

2.3.2 the Secured Party shall not have any recourse under Clause 2.1 (*Covenant to Pay Secured Liabilities*) to any assets of the Chargor other than the Charged Assets,

provided that, for the avoidance of doubt, nothing in this Clause 2.3 shall limit or affect the Chargor's liability or the Secured Party's recourse under the F1 Cars Mortgage.

2.4 Interest

2.4.1 The Chargor hereby agrees to pay to the Secured Party, in respect of any amount validly demanded from it in accordance with this Deed (to the extent that interest on such amount is not otherwise being paid pursuant to any agreement between the Chargor and the Secured Party) which is not paid on the due date interest from the due date:

- (A) at the rate of interest payable or deemed to be payable by the Chargor as calculated and compounded in accordance with any agreement between the Secured Party and the Chargor; or
- (B) failing such agreement, at the rate per annum which is 1% per annum above the Bank of England's base rate, such interest being calculated daily on the basis of a 365 day year and compounded at monthly rests.

2.4.2 Such interest shall accrue due on a daily basis from the due date until actual payment by the Chargor (both before and after any further demand or judgment or the liquidation of the Chargor).

3. FIXED SECURITY

3.1 Legal Mortgage

As continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee assigns to the Secured Party by way of legal mortgage all its present and future rights to and title and interest in the Chattel.

3.2 Fixed Charge

The Chargor charges to the Secured Party by way of fixed charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in any and each of the following:

- 3.2.1 to the extent required to ensure the power units are fully functional in relation to the Chattel, all software relating to the Chattel and all rights to use such software (which may now or in the future exist) in relation to the Chattel and all Related Property Rights;
- 3.2.2 all authorisations (statutory or otherwise) held or required in connection with the use of any Charged Assets, and all rights in connection with them;
- 3.2.3 all Related Property Rights in respect of the Chattel; and
- 3.2.4 (to the extent not effectively assigned under Clause 3.3 (*Assignments*)), the Insurance Proceeds.

3.3 Assignments

The Chargor assigns to the Secured Party with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's rights to and title and interest from time to time in the Insurance Proceeds.

4. FURTHER ASSURANCE

4.1 Subject to Clause 4.3 below, the Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Secured Party or any Receiver may reasonably specify (and in such form as the Secured Party or any Receiver may reasonably require in favour of the Secured Party or its nominee(s)):

- 4.1.1 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 the Security) or for the exercise of any rights, powers and remedies of the Secured Party or any Receiver provided by or pursuant to this Deed or by applicable law;
 - 4.1.2 to confer on the Secured Party 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
 - 4.1.3 (following the occurrence of a Default) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created under this Deed.
- 4.2 Subject to Clause 4.3 below, the Chargor shall take all such action as is available to it (including making all filings and registrations) as is necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Secured Party by or pursuant to this Deed including using reasonable endeavours to obtain any necessary consent to enable its assets to be mortgaged, charged or assigned pursuant to this Deed. Immediately upon obtaining any necessary consent the asset concerned shall become subject to the security created by this Deed. The Chargor shall promptly deliver a copy of each such consent to the Secured Party.
- 4.3 Notwithstanding the provisions of Clauses 4.1 and 4.2, neither the Secured Party nor any Receiver shall be entitled to require the Chargor to affix any notice on the Chattel or in the premises in which the Chattel is located.
- 4.4 On or prior to the entry into this Deed, the Chargor shall provide to the Secured Party evidence, in form and substance satisfactory to the Secured Party (acting reasonably), that any Security affecting the Charged Assets (or any of them) has been or will be, discharged on or prior to the entry into this Deed.

5. **WAIVER OF RIGHTS AND OTHER MATTERS**

- 5.1 If any purported obligation or liability of the Purchaser to the Secured Party which, if valid, would have been the subject of any obligation or Security created by this Deed is or becomes unenforceable, invalid or illegal on any ground whatsoever whether or not known to the Secured Party, the Chargor shall nevertheless be liable in respect of that purported obligation or liability as if the same were fully valid and enforceable and the Chargor was the principal debtor in respect thereof. The Chargor hereby agrees to keep the Secured Party fully indemnified against all damages, losses, costs and expenses arising from any failure of the Purchaser to carry out any such purported obligation or liability.
- 5.2 The obligations of the Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 5.2, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to the Secured Party) including:
- 5.2.1 any time, waiver or consent granted to, or composition with, the Purchaser or other person;
 - 5.2.2 the release of the Purchaser or any other person under the terms of any composition or arrangement with any creditor of any person;
 - 5.2.3 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, the Chargor, the Purchaser or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

- 5.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Purchaser or any other person;
 - 5.2.5 any amendment (however fundamental) or replacement of Sale and Purchase Agreement or any other document or security;
 - 5.2.6 any unenforceability, illegality or invalidity of any obligation of any person under the Sale and Purchase Agreement or any other document or security; or
 - 5.2.7 any insolvency or similar proceedings.
- 5.3 The Chargor waives any right it may have of first requiring the Secured Party to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law or any provision of the Sale and Purchase Agreement to the contrary.

6. DEFERRAL OF RIGHTS

- 6.1 Until the Security Period has ended, the Secured Party (or any trustee or agent on its behalf) may refrain from applying or enforcing any other moneys, security or rights held or received by it in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same.
- 6.2 Unless the Secured Party otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or enforcement of the Security created by this Deed:
- 6.2.1 to be indemnified by the Purchaser (including any rights it may have by way of subrogation);
 - 6.2.2 to claim any contribution from any guarantor of the Purchaser's obligations under the Sale and Purchase Agreement;
 - 6.2.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Party under the Sale and Purchase Agreement or of any other guarantee or security taken pursuant to, or in connection with, the Sale and Purchase Agreement;
 - 6.2.4 to claim, rank, prove or vote as a creditor of the Purchaser or its estate in competition with the Secured Party; or
 - 6.2.5 to exercise or claim any right of set off or counterclaim against the Purchaser or any other person liable for any of the Secured Liabilities or claim or prove in competition with the Secured Party in the bankruptcy, administration, liquidation or any other analogous procedure of the Purchaser or any other person liable or have the benefit of, or share in, any payment from or composition with, the Purchaser or any other person liable or any other Security now or hereafter held by the Secured Party for any of the Secured Liabilities or for the obligations or liabilities of any other person liable but so that, if so directed by the Secured Party, it will prove for the whole or any part of its claim in the liquidation, administration, bankruptcy or any other analogous procedure of the Purchaser on terms that the benefit of such proof and of all of the money received by it in respect thereof shall be held on trust for the Secured Party and applied in or towards discharge of the Secured Liabilities in such manner as the Secured Party shall deem appropriate.
- 6.3 If the Chargor fails to claim or prove in the liquidation, administration, bankruptcy or any other analogous procedure of the Purchaser promptly upon being directed to do so by the Secured Party as contemplated by Clause 6.2.5:
- 6.3.1 the Secured Party may, and is irrevocably authorised on behalf of the Chargor to, file any claims or proofs in such liquidation, administration, bankruptcy or other analogous procedure on its behalf; and

- 6.3.2 the trustee in bankruptcy, liquidator, assignee or other person distributing the assets of the Purchaser or their proceeds is directed to pay distributions on the obligations or liabilities of the Purchaser direct to the Secured Party until the Secured Liabilities have been irrevocably paid in full.
- 6.4 The Chargor shall hold on trust for and immediately pay or transfer to the Secured Party any payment or distribution or benefit of security received by it contrary to this Clause 6 or in accordance with any directions given by the Secured Party under Clause 6.2.

7. UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS

- 7.1 The Chargor undertakes to the Secured Party that during the Security Period:

General

- 7.1.1 it shall not create or attempt to create or permit to subsist or arise any Security on, over or affecting the Charged Assets or any part of them (other than the Security constituted by this Deed);
- 7.1.2 it shall not dispose of the Charged Assets or any part of them or agree to do so (and for these purposes the term "disposal" shall include any form of disposal of any interest in any asset including any conveyance, transfer, lease, assignment, sale, right to use or occupy, surrender, declaration of trust or the creation of any other form of legal or equitable interest in or over any asset or any option in respect of any of the foregoing);
- 7.1.3 it shall at all times comply with all laws and regulations applicable to it and will obtain and maintain in full force and effect all consents, licences, approvals or authorisations of, exemptions by or registrations or declarations with, any governmental or other authority which may at any time be required with respect to any of the Charged Assets;
- 7.1.4 it shall use its reasonable endeavours to:
- (A) procure the prompt observance and performance of the covenants and other obligations imposed on the Chargor's counterparties in relation to the Charged Assets; and
 - (B) enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Assets that the Secured Party may require from time to time;
- 7.1.5 it shall, promptly on becoming aware of any of the same, notify the Secured Party in writing of:
- (A) any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
 - (B) any breach of any undertaking set out in this Deed;

Insurance Policies

- 7.1.6 on similar terms to the Insurance Policies in place at the date of this Deed, it shall insure, and keep insured, the Charged Assets against all risks relating to the Charged Assets including:
- (A) theft, loss (including total loss) or damage by fire or terrorist acts;

- (B) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor; and
- (C) any other risks, perils and contingencies as the Secured Party may reasonably require,

and any such insurance must be with a reputable independent insurance company or underwriters and on such terms as are reasonably acceptable to the Secured Party, and must be for not less than the replacement value of or, if higher, the cost of reinstating the relevant Charged Assets;

7.1.7 it shall, if required by the Secured Party, deposit a copy of all Insurance Policies with the Secured Party;

7.1.8 it shall procure that there be given to the Secured Party such information in connection with the Insurance Policies as the Secured Party may reasonably require and notify the Secured Party of renewals made and material variations or cancellations of such policies;

Chattel

7.1.9 it shall procure that no person shall be registered as proprietor or registered keeper of the Chattel without the prior written consent of the Secured Party;

7.1.10 it shall:

- (A) keep the Chattel in its sole and exclusive possession and in dry, safe conditions at the location specified in Schedule 1 (*Chattel*) or at such other location as the Secured Party may consent in writing and shall not take the Chattel, or allow it to be taken, out of England and Wales;
- (B) if required by the Secured Party, in the case of any Chattel located on leasehold premises, obtain evidence in writing from any lessor of such premises that it waives absolutely all and any rights it may have now or at any time over any such Chattel;
- (C) not annex, fix or otherwise secure or allow any such annexation, fixing or securing of the Chattel to any premises, land or buildings if the result of such action or omission is that the Chattel, or any part of it, would or might become a fixture or fitting;
- (D) maintain the Chattel to the highest standard and preserve it mechanically and aesthetically in its condition as at the date of this Deed in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;
- (E) at its own expense, renew and replace any parts of the Chattel when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value;
- (F) keep or procure to be kept accurate, complete and up to date records of all repairs, servicing and maintenance carried out on the Chattel;
- (G) permit a nominee of the Secured Party to enter on any premises of the Chargor to inspect and examine the Chattel, and the records relating to the Chattel, at all reasonable times and on reasonable

prior notice, in order to carry out checks on compliance by the Chargor with the provisions of this Deed; and

- (H) not permit the Chattel to be:
 - (1) used or handled, other than by properly qualified and trained persons;
 - (2) modified, upgraded, supplemented or altered other than for the purpose of effecting maintenance or repairs permitted by this Deed or remove any existing component from the Chattel unless it is replaced immediately (or if removed in the ordinary course of repair and maintenance as soon as practicable) by the same component or by a component of the like make and model to the removed component or an improved or advanced version of the removed component; or
 - (3) to be overloaded or used for any purpose for which it is not designed or reasonably suitable or in any manner which would invalidate or otherwise prejudice any of the Insurance Policies;
- (I) notify the Secured Party immediately of any material damage or any loss, confiscation, seizure, requisitioning, impounding, infringement or intellectual property rights to, of or by the Chattel or other event that would be reasonably likely to affect the rights of the Secured Party; and
- (J) give the Secured Party such information concerning the location, condition, use and operation of the Chattel as the Secured Party may reasonably require,

provided that the Chargor is entitled, prior to the occurrence of an Enforcement Event which is continuing and subject to paragraphs (A) to (J) above and the other provisions of this Deed, to use and handle the Chattel in the ordinary course of business in a manner consistent with recent past practice of the Chargor, which it is agreed shall include the Chattel being displayed in exhibitions and static displays, but which shall not include the Chattel being run or driven or used in any manner for which it is not insured in accordance with the provisions of this Deed or being put on loan.

7.2 Notice of Assignment

The Chargor shall:

- 7.2.1 in respect of any Insurance Policies in which it has an interest as at the date of this Deed, within 1 Business Day of the date of this Deed; and
- 7.2.2 in respect of any Insurance Policies in which it has an interest after the date of this Deed, within 1 Business Day of the date on which it acquires that interest,

give notice of each such assignment under Clause 3.3 (*Assignments*) of its rights, title and interest in the Insurance Proceeds by sending an appropriate notice in the form set out in Schedule 2 (*Form of Notice of Assignment*), with such amendments as the Secured Party may reasonably agree, duly completed to each of the counterparties to that Insurance Policy and shall use its reasonable endeavours to ensure that each recipient of any notice promptly signs and returns the form of acknowledgement requested under that notice.

8. RIGHTS OF THE SECURED PARTY

8.1 Enforcement

At any time on or after the occurrence of a Default which is continuing, the security created pursuant to this Deed shall be immediately enforceable and the Secured Party may in its absolute discretion and without notice to the Chargor or the prior authorisation of any court:

8.1.1 enforce all or any part of the security created by this Deed and take possession of or dispose of all or any of the Charged Assets in each case at such times and upon such terms as it sees fit; and

8.1.2 whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:

(A) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and

(B) granted to a Receiver by this Deed or from time to time by law.

8.2 Restrictions on Consolidation of Mortgages

Section 93 of the LPA shall not apply to this Deed or to any sale made under it. The Secured Party shall have the right to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time. Such power may be exercised by the Secured Party at any time on or after the occurrence of a Default.

8.3 Restrictions on Exercise of Power of Sale

Section 103 of the LPA shall not apply to this Deed and the power of sale arising under the LPA shall arise on the date of this Deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose). The power of sale and other powers conferred by section 101 of the LPA as varied or extended by this Deed and those powers conferred (expressly or by reference) on a Receiver shall be immediately exercisable by the Secured Party at any time on or after the occurrence of a Default.

8.4 Leasing Powers

The restrictions contained in sections 99 to 100 of the LPA shall not apply to restrict the rights of the Secured Party or any Receiver under this Deed. The statutory powers of leasing may be exercised by the Secured Party upon and following the occurrence of a Default, the Secured Party and any Receiver may make any lease or agreement for lease and/or accept any surrenders of leases and/or grant options on such terms as it sees fit without the need to comply with the aforementioned restrictions.

8.5 No Prior Notice Needed

The powers of the Secured Party set out in Clauses 8.2 (*Restrictions on Consolidation of Mortgages*) to 8.4 (*Leasing Powers*) may be exercised by the Secured Party without prior notice to the Chargor.

8.6 Restrictions on enforcement

Notwithstanding the other provisions of this Deed:

8.6.1 any sale of the Chattel by the Secured Party or any Receiver must be:

(A) for cash consideration on arm's length terms to a bona fide third party purchaser; and

(B) either:

- (1) a sale for consideration of at least a value which has been approved by an Approved Valuer no earlier than 6 months prior to the sale; or
- (2) a sale through a public or private auction or other competitive sales process in which more than one bidder participates or is invited to participate.

8.6.2 In this Clause "**Approved Valuer**" means Bonhams 1793 Limited (a limited liability company incorporated in England whose registered office is at Montpelier Galleries, Montpelier Street, London, SW7 1HH with company number 04326560), or any replacement or successor thereof, or any other third party valuer appointed by the Secured Party with the consent of the Chargor (such consent not to be unreasonably withheld, conditioned or delayed), provided that the Chargor will be deemed to have given its consent five Business Days after the Secured Party has requested it unless consent is expressly refused by the Chargor in writing within that time.

9. **EXONERATION**

Neither the Secured Party, nor any Receiver, shall by reason of it or the Receiver entering into possession of the Charged Assets, be liable to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Secured Party under this Deed shall for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Deed when the provisions of this Deed shall prevail and every such Receiver and the Secured Party shall in any event be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

10. **INDEMNITY**

The Secured Party and every Receiver, attorney, delegate, manager, agent or other person appointed by the Secured Party hereunder shall be entitled to be indemnified out of the Charged Assets or any part thereof in respect of all liabilities and expenses incurred by it or him in the execution of any of the powers, authorities or discretions vested in it or him pursuant to this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets or any part of them. The Secured Party and any such Receiver may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

11. **APPOINTMENT OF RECEIVER**

11.1 **Appointment**

11.2 At any time on or after the occurrence of a Default which is continuing, or at the request of the Chargor or its directors, the Secured Party may, without prior notice to the Chargor, in writing (under seal, by deed or otherwise under hand) appoint a Receiver in respect of the Charged Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his stead.

11.3 Nothing in Clause 11.2 shall restrict the exercise by the Secured Party of any one or more of the rights of the Secured Party at common law.

11.4 **More than one Receiver**

Where more than one Receiver is appointed, each joint Receiver shall have the power to act severally, independently of any other joint Receiver, except to the extent that the Secured Party may specify to the contrary in the appointment.

11.5 Receiver as agent

A Receiver shall be the agent of the Chargor which shall be solely responsible for his acts or defaults and for his remuneration. No Receiver shall at any time act as agent of any Secured Party.

11.6 Receiver's Remuneration

A Receiver shall be entitled to remuneration for his services at a rate to be determined by the Secured Party from time to time (and without being limited to any maximum rate specified by any statute or statutory instrument).

12. RECEIVER'S POWERS

12.1 Powers

A Receiver shall have (and be entitled to exercise) in relation to the Charged Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

- 12.1.1 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 12.1.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- 12.1.3 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which the Chargor itself could do or omit to do;
- 12.1.4 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, the Chargor; the collection and/or realisation of Charged Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of the Chargor (whether under hand, or by way of deed or by utilisation of the company seal of the Chargor).

12.2 Powers may be Restricted

The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Secured Party) appointing him but they shall not be restricted by any winding-up or dissolution of the Chargor.

13. PROTECTION OF PURCHASERS

13.1 Absence of Enquiry

No person or persons dealing with the Secured Party or any Receiver shall be concerned to enquire whether any event has happened upon which any of the powers in this Deed are or may be exercisable or otherwise as to the propriety or regularity of any exercise of such powers or of any act purporting or intended to be an exercise of such powers or whether any amount remains secured by this Deed. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA shall apply to any person purchasing from or dealing with the Secured Party or any such Receiver.

13.2 Receipt: Conclusive Discharge

The receipt of the Secured Party or any Receiver shall be a conclusive discharge to any purchaser of the Charged Assets.

14. POWER OF ATTORNEY AND DELEGATION

14.1 Power of Attorney: General

The Chargor hereby irrevocably and by way of security appoints the Secured Party and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed:

14.1.1 to do anything that the Chargor is obliged to do (but has not done by way of further assurance or perfection) under this Deed within three Business Days of being notified of that failure and being requested to comply (including to execute charges over, transfers, conveyances, assignments and assurances of, and other instruments, notices, orders and directions relating to, the Charged Assets); and

14.1.2 after the occurrence of a Default, to exercise any of the rights conferred on the Secured Party or any Receiver under this Deed, the LPA or the Insolvency Act 1986.

14.2 Power of Attorney: Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 14 (*Power of Attorney and Delegation*) does or purports to do in exercise of the powers granted by this Clause.

14.3 Power of Attorney: General Delegation

The Secured Party and any Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this Deed (including the power of attorney) on such terms and conditions as it or he shall see fit which shall not preclude exercise of those powers, authorities or discretions by it or him or any revocation of the delegation or any subsequent delegation.

15. APPLICATION OF MONIES RECEIVED UNDER THIS DEED

Any monies received under the powers hereby conferred shall, subject to the repayment of any claims having priority to this Deed and to any applicable statutory requirement as to (i) the payment of preferential debts or (ii) the payment of unsecured creditors in accordance with section 176A Insolvency Act 1986, be applied for the following purposes and in the following order of priority:

15.1 in satisfaction of all costs, charges and expenses and payments (including payments made in accordance with paragraphs (i), (ii) and (iii) of section 109(8) of the LPA) made or incurred by the Secured Party or the Receiver and of remuneration to the Receiver in such order as the Secured Party shall in its absolute discretion decide;

15.2 in or towards satisfaction of the Secured Liabilities; and

15.3 the surplus, if any, shall be paid to the Chargor or other person or persons entitled to it, save that the Secured Party may credit any monies received under this Deed to a suspense account for so long and in such manner as the Secured Party may from time to time determine and the Secured Party may retain the same for such period as he considers appropriate.

16. RELEASE OF SECURITY

16.1 Release

At the end of the Security Period the Secured Party shall promptly, at the request and cost of the Chargor, execute or procure the execution (in each case in a form acceptable to the

Secured Party) and do all such deeds, acts and things as are necessary to release and/or reassign the Charged Assets from the security created by or in accordance with this Deed.

16.2 Avoidance of Payments

16.2.1 No amount paid, repaid or credited to the Secured Party shall be deemed to have been irrevocably paid if the Secured Party considers (acting reasonably) that the payment or credit of such amount is capable of being avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws.

16.2.2 If any amount paid, repaid or credited to the Secured Party is avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws then any release, discharge or settlement between the Secured Party and the Chargor shall be deemed not to have occurred and the Secured Party shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

17. CURRENCY OF PAYMENT

The obligation of the Chargor under this Deed to make payments in any currency shall not be discharged or satisfied by any tender, or recovery pursuant to any judgment or otherwise, expressed in or converted into any other currency, except to the extent that tender or recovery results in the effective receipt by the Secured Party of the full amount of the currency expressed to be payable under this Deed.

18. NO DEDUCTION

All payments to be made by the Chargor under this Deed shall be made without any set-off, counterclaim or equity and (subject to the following sentence) free from, clear of and without deduction for any taxes, duties, levies, imposts or charges whatsoever, present or future. If the Chargor is compelled by the law of any applicable jurisdiction (or by an order of any regulatory authority in such jurisdiction) to withhold or deduct any sums in respect of taxes, duties, levies, imposts or charges from any amount payable to the Secured Party under this Deed or, if any such withholding or deduction is made in respect of any recovery under this Deed, the Chargor shall pay such additional amount so as to ensure that the net amount received by the Secured Party shall equal the full amount due to it under the provisions of this Deed had no such withholding or deduction been made.

19. REPRESENTATIONS AND WARRANTIES

19.1 Representations

The Chargor represents and warrants in favour of the Secured Party:

19.1.1 It is a company duly formed and validly existing under the laws of its jurisdiction of formation.

19.1.2 It has the power to enter into and perform, and has taken all necessary action to authorise the entry into, performance and delivery of, this Deed.

19.1.3 Subject to the Reservations, this Deed constitutes its legal, binding, valid and enforceable obligations.

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

- (A) any law or regulation or judicial or official order applicable to it; or
- (B) its constitutional documents; or

(C) any Insurance Policy or any other material agreement or document which is binding upon it or any of its assets or result in the creation of (or a requirement for the creation of) any Security over any Charged Asset, in each case to the extent that such conflict would have a material adverse effect on the Security created by this Deed.

19.1.5 It is the sole legal and beneficial owner of the Charged Assets free from Security (other than this Deed) and this Deed confers the security it purports to confer over the Charged Assets and the security created under or pursuant to this Deed is not subject to any prior or pari passu Security and is not liable to avoidance on liquidation or bankruptcy, composition or any other similar insolvency proceedings.

19.1.6 Neither the Chattel nor any part of it is or will be treated as being fixed to any land, premises or other property.

19.1.7 No facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any other person to terminate or curtail use of the Charged Assets or any part thereof.

19.1.8 The Chargor has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in the Charged Assets.

19.1.9 No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which are reasonably likely to be adversely determined and, if adversely determined, could reasonably be expected to have a material adverse effect on the Chargor, the Charged Assets or the performance of the Chargor's obligations under this Deed, have (to the best of its knowledge and belief) been started or threatened against the Chargor.

19.2 **Times for Making Representations and Warranties**

The representations and warranties set out in this Clause are made on the date of this Deed and are deemed to be repeated each day prior to the expiry of the Security Period by reference to the facts and circumstances then existing.

20. **MISCELLANEOUS**

20.1 **The Chargor**

This Deed is binding on the successors and assigns of the Chargor.

20.2 **Assignment and Transfer**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed. The Secured Party may assign and transfer all or any part of his rights and obligations under this Deed.

20.3 **Remedies and Waivers Cumulative**

Save as expressly provided in this Deed, no failure to exercise, or delay in exercising any right, power, privilege or remedy under this Deed, on the part of the Secured Party shall operate as a waiver, nor shall any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise, or the exercise of any other right, power, privilege or remedy. No waiver by the Secured Party shall be effective unless it is in writing. The rights and remedies of the Secured Party provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

20.4 **Partial Invalidity**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any relevant jurisdiction, neither the legality, validity or enforceability of the remaining provisions, nor the legality, validity or enforceability of such provision under the law of any other jurisdiction, will in any way be affected or impaired.

20.5 Property

This Deed is and will remain the property of the Secured Party.

20.6 Continuing Security

This Deed shall be a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities.

20.7 Additional Security

This Deed shall be in addition to and not be affected by any other security or guarantee now or hereafter held by the Secured Party for all or any part of the Secured Liabilities nor shall any such other security or guarantee of liability to the Secured Party of or by any person not a party to this Deed be in any way impaired or discharged by this Deed nor shall this Deed in any way impair or discharge such other security or guarantee.

20.8 Variation of Security

This Deed shall not in any way be affected or prejudiced by the Secured Party at any time dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 20.7 (*Additional Security*) or any rights which the Secured Party may at any time have or giving time for payment or granting any indulgence or compounding with any person whatsoever.

20.9 Enforcement of Other Security

The Secured Party shall not be obliged to enforce any other Security it may hold for the Secured Liabilities before enforcing any of its rights under this Deed.

20.10 Redemption of Prior Incumbrances

The Secured Party may redeem or take a transfer of any prior Security over the Charged Assets and may agree the accounts of prior incumbrancers. An agreed account shall be conclusive and binding on the Chargor. Any amount paid in connection with such redemption or transfer (including expenses) shall be paid on demand by the Chargor to the Secured Party and until such payment shall form part of the Secured Liabilities.

20.11 Stamp Taxes

The Chargor shall pay and, within five Business Days of demand, indemnify the Secured Party and any Receiver, attorney, manager, agent or other person appointed by the Secured Party against any cost, loss or liability the Secured Party, that Receiver, attorney, manager, agent or other person appointed by the Secured Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of this Deed.

20.12 Costs and Expenses

20.12.1 Each party to this Deed shall pay its own costs in connection with the preparation and negotiation of this Deed and the perfection of the security contemplated by this Deed.

20.12.2 The Chargor shall, within five Business Days of demand, pay to the Secured Party or any Receiver, attorney, manager, agent or other person appointed by the Secured Party under this Deed the amount of all costs and expenses (including legal fees) incurred by the Secured Party, that Receiver, attorney, manager, agent or other person in connection with the enforcement of or the preservation of any rights under this Deed and any proceedings instituted by or against the

Secured Party as a consequence of taking or holding the Security created by this Deed or enforcing these rights.

21. CALCULATIONS AND CERTIFICATES

21.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Secured Party in connection with this Deed are *prima facie* evidence of the matters to which they relate.

21.2 Certificates and Determinations

Any certification or determination by the Secured Party of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

21.3 Day Count Convention

Any interest accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days.

22. NOTICES

22.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by post or fax.

22.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party to this Deed for any communication or document to be made or delivered under or in connection with this Deed is that identified with its name below, or any substitute address, fax number or department or officer as any party may notify to the other by not less than five Business Days' notice.

22.3 Delivery

22.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

- (A) if by way of fax, when received in legible form; or
- (B) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 22.2 (*Addresses*), if addressed to that department or officer.

22.3.2 Any communication or document to be made or delivered to the Secured Party will be effective only when actually received by the Secured Party and then only if it is expressly marked for the attention of the department or officer identified with the Secured Party's signature below (or any substitute department or officer as the Secured Party shall specify for this purpose).

22.4 Electronic communication

22.4.1 Any communication to be made between the parties to this Deed under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that the parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if the parties:

- (A) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
- (B) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

22.4.2 Any electronic communication made between the parties will be effective only when actually received in readable form and in the case of any electronic communication made by the Chargor to the Secured Party only if it is addressed in such a manner as the Secured Party shall specify for this purpose.

22.4.3 Any electronic communication which becomes effective, in accordance with Clause 22.4.2, after 5pm in the place of receipt shall be deemed only to become effective on the following day.

22.5 English language

22.5.1 Any notice given under or in connection with this Deed must be in English.

22.5.2 All other documents provided under or in connection with this Deed must be:

- (A) in English; or
- (B) if not in English, and if so required by the Secured Party, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

24. LAW

This Deed and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

25. ENFORCEMENT

25.1 Jurisdiction of English courts

25.1.1 The courts of England have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Deed or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual dispute or claim) (a "**Dispute**").

25.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Deed will:

- (A) argue to the contrary; or
- (B) initiate or pursue any proceedings relating to a Dispute in any jurisdiction other than England.

IN WITNESS whereof this Deed has been duly executed and delivered as a deed on the date first above written.

SCHEDULE 1

CHATTEL

Year	Model	Engine	Win	Location	Accessories
1993	MP4/8-1	Lamborghini	Special - White Lamborghini test car	Unit 2, Woking Business Park	

SCHEDULE 2

FORM OF NOTICE OF ASSIGNMENT

[On letterhead of the Chargor]

To: [**Counterparty (etc.)**]

[Date]

Dear Sir or Madam,

Security agreement dated [] between McLaren Racing Limited and Ron Dennis CBE (the "Security Agreement")

We hereby give you notice that under the Security Agreement we have assigned in favour of Ron Dennis CBE (the "**Secured Party**") all of our rights to and title and interest from time to time in any insurance proceeds relating to the assets described in the Annexure to this Notice (the "**Assigned Property**"). For the avoidance of doubt, under the Security Agreement we have only assigned the specific insurance proceeds constituting the Assigned Property and have not assigned the entire insurance policies to which those insurance proceeds relate.

We hereby irrevocably instruct and authorise you to:

- (a) disclose to the Secured Party such information regarding the Assigned Property as it may from time to time reasonably request;
- (b) continue to give all notices relating to the Assigned Property to us, in each case unless and until you receive written notice from the Secured Party to the contrary, in which event all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Secured Party or as it directs;
- (c) continue to make all payments due in respect of the Assigned Property to us unless and until the Secured Party notifies you otherwise, in which event you should make all future payments as then directed by the Secured Party.

Your acknowledgement will be deemed to confirm in favour of the Secured Party that you:

- (1) have not received notice of the interest of any third party relating to the Assigned Property;
- (2) are not aware of any dispute between us and you relating to the Assigned Property; and
- (3) have neither claimed nor exercised, nor will claim or exercise, any security interest, set off, counterclaim or other right in respect of the Assigned Property.

We acknowledge that you may comply with the instructions in this letter without any further permission from 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 this letter are governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Secured Party at [REDACTED]

[REDACTED] Attention: Ron Dennis CBE with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

for and on behalf of

McLaren Racing Limited

ANNEX

[On the letterhead of the counterparty]

[On copy of Notice]

To:



Attention: Ron Dennis CBE

Copy: McLaren Racing Limited

[Date]

Dear Sir or Madam,

**Security agreement dated [] between McLaren Racing Limited
and Ron Dennis CBE (the "Security Agreement")**

[Description of Assigned Property]

We acknowledge receipt of the Notice of Assignment dated [] relating to the
Security Agreement, of which this is a copy.

Yours faithfully,

.....

duly authorised signatory for and on
behalf of [*counterparty*]

EXECUTED AS A DEED by)
MCLAREN RACING LIMITED)

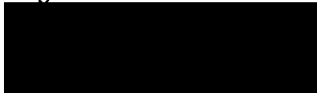


acting by)
..TIMOTHY MURNANE..)

Director

in the presence of:)

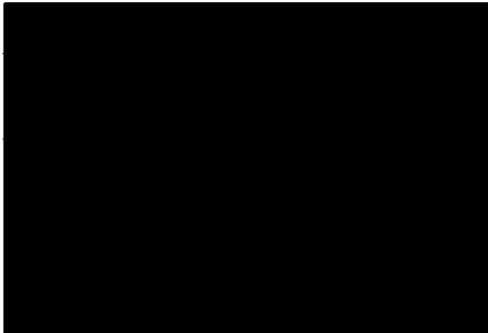
.....
Signature of witness



Name of witness
(in BLOCK CAPITALS)

..... SARAH HALL

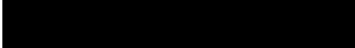
Address of witness



Notice details for MCLAREN RACING LIMITED for Clause 22

Address: McLaren Technology Group Limited, McLaren Technology Centre, Chertsey Road,
Woking, Surrey GU21 4YH

Attention: Timothy Murnane, Group Legal Director

Email: 

SIGNED by)
)
RON DENNIS CBE)



Notice details for RON DENNIS CBE for Clause 22

Address: [Redacted]

Attention: Ron Dennis CBE

Email: [Redacted]