



Registration of a Charge

Company name: **Capita Trust Company Limited**

Company number: **00239726**



X4YF603U

Received for Electronic Filing: **12/01/2016**

Details of Charge

Date of creation: **08/01/2016**

Charge code: **0023 9726 0022**

Persons entitled: **HSBC BANK PLC**

Brief description: **NOT APPLICABLE.**

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: **ADDLESHAW GODDARD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 239726

Charge code: 0023 9726 0022

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th January 2016 and created by Capita Trust Company Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th January 2016 .

Given at Companies House, Cardiff on 13th January 2016

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

Dated 08 JANUARY 2016 ~~2015~~

CAPITA TRUST COMPANY LIMITED

HSBC BANK PLC

MORTGAGE OF SHARES

ADDLESHAW GODDARD

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This Mortgage Of Shares is made on 08 JANUARY 2016

2016

Between

- (1) **Capita Trust Company Limited** (No.00239726) whose registered office is at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU (**Chargor**); and
- (2) **HSBC Bank plc (Lender).**

It is agreed

- (A) The Lender has agreed to arrange the advance or to continue to arrange the advance of monies or otherwise arrange credit or afford other financial facilities to the Borrower and/or others on the security created by this Deed.
- (B) The Chargor has agreed to charge certain of its assets as security to the Lender as set out in this Deed.

1 Definitions and Interpretation

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925

Borrower means Osprey Income and Growth 7 Limited Partnership, a limited partnership registered in England and Wales with registration number LP016399 whose registered office is at 35 Grosvenor Street, Mayfair, London W1K 4QX acting by the General Partner

Charged Assets means each and all of the assets, property, undertaking and other interests from time to time assigned or charged or intended to be assigned or charged by this Deed and the subject matter of each of them

Facility Letter means a facility letter dated 09 MARCH 2015 and made between (1) the Borrower and (2) the Lender and any letter, agreement, charge, deed or other instrument entered into under or supplemental to it

General Partner means by Osprey Income and Growth 7 GP Limited, a company registered in England and Wales with company number 09295108 whose registered office is at 35 Grosvenor Square, Mayfair, London, W1K 4QX

Investments means the existing or future interest of the Chargor in the entire issued share capital of the Nominee including any income, offer, right or benefit in respect of any such investment

Liabilities means all monies, obligations and liabilities which shall from time to time (and whether on or at any time after any demand or judgment) be due, owing or incurred from the Borrower to the Lender under the Finance Documents whether actually or contingently and whether solely or jointly with any other person and in whatever style or name and whether as principal or surety

Nominee means by Osprey Income and Growth 7 Nominee Limited, a company registered in England and Wales with company number 09359724 whose registered office is at 35 Grosvenor Square, Mayfair, London, W1K 4QX

Party means a party to this Deed

Receiver means any one or more receiver or manager, or receiver and manager, administrator or administrative receiver appointed by the Lender under this Deed (whether sole, joint and/or several and including any substitute)

Regulations means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements

Reservations means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the 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 acts, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim
- (c) similar principles, rights and defences under the laws of any relevant jurisdiction
- (d) the qualification that a charge over cash or book debts expressed to take effect by way of fixed charge may take effect as a floating charge
- (e) principles of public policy may in some circumstances override the parties selection of the law applicable to a contract and/or the recognition of a judgment given in one jurisdiction by the courts of another jurisdiction
- (f) any other matters which are set out as qualifications or reservations as to matters of law of general application in any legal opinion supplied to the Lender as a condition precedent under the Facility Letter

Security Interest means any mortgage, pledge, lien, charge, security assignment, hypothecation, security trust, encumbrance or security interest and any other agreement or arrangement entered into to create or confer security over any asset.

1.2 Construction

- (a) Headings and punctuation in this Deed are for convenience only and do not affect its construction or interpretation.
- (b) The definition and interpretation provisions set out at Clause 33 (Definitions and interpretation) of the Facility Letter shall apply equally to this Deed.
- (c) If any provision of this Deed shall conflict with any term of the Facility Letter then the relevant term of the Facility Letter shall prevail.

2 Security

2.1 General

All the security created under this Deed is created in favour of the Lender as continuing security for the payment and discharge of the Liabilities with full title guarantee.

2.2 Fixed charge

The Chargor charges by way of fixed charge, all its present and future right, title and interest in and to the Investments including all rights of enforcement of the same.

3 Perfection of security

3.1 Further assurance

The Chargor shall execute at the cost of the Borrower and in such form as may be reasonably required by the Lender:

- (a) such further additional mortgages, charges, assignments, transfers and conveyances; and
- (b) such assurances, deeds, documents, acts and things,

as the Lender may reasonably require to perfect or protect the security created or intended to be created by this Deed and/or to facilitate or effect any dealing with the Charged Assets in connection with this Deed.

4 Investments

4.1 Investment title documentation

Upon execution of this Deed (or immediately upon the acquisition of the relevant Investment if that acquisition follows the date of this Deed) and notwithstanding any other term of the Finance Documents, the Chargor will deposit with the Lender in respect of each Investment:

- (a) all certificates, warrants or other documents of title;
- (b) duly executed undated blank stock transfer forms; and
- (c) forms of waiver of any pre-emption rights and any other documents, consents and monies necessary to enable such transfers to be registered by the Security Lender.

4.2 Voting prior to a Default

Prior to an Event of Default which is continuing, the Chargor may continue to exercise all voting and other rights (including the right to collect dividends, interest, principal or other payments of money) relating to the Investments provided that such rights are not exercised in a way which (and the Chargor shall not permit anything which):

- (a) jeopardises the security constituted by the Finance Documents;
- (b) varies the rights attaching to the Investments; or
- (c) relates to a participation in a rights issue or to receiving dividends other than in cash or concerns a merger, consolidation, allotment of shares, change to constitutional documents, transfer of ownership (legal or beneficial), liquidation, striking off, insolvency or matters which would otherwise be prohibited by the Finance Documents.

4.3 Voting after a Default

- (a) Following an Event of Default which is continuing, the Lender may (without notice to or consent from the Chargor and in the Chargor's name or otherwise) exercise any rights (including the right to collect dividends, interest, principal or other payments of money but excluding the right to vote) in respect of the Investments and may do anything necessary to complete any transfer form in favour of itself or otherwise.
- (b) Following an Event of Default which is continuing and the service of notice upon the Chargor, the Lender may (without consent from the Chargor and in the Chargor's name or otherwise) exercise any right to vote in respect of the Investments.

4.4 Obligations

The Chargor shall give to Lender, at the time of issue, copies of all information, offers, notices or other materials supplied to the members of the issuers of the Investments and shall advise the Lender promptly of any material occurrence affecting the Investments or any other part of the security granted to the Lender and shall give to the Lender such information as they may reasonably require relating to the Investments.

5 Representations and warranties

The Chargor makes the representations and warranties set out in this clause 5 (Representations and warranties) to the Lender.

5.1 Status

- (a) It is a corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- (b) It has the power to own its assets and carry on the business which it conducts and/or proposes to conduct.

5.2 Binding obligations

The obligations expressed to be assumed by it in this Deed are (subject to the Reservations) legal, valid, binding and enforceable obligations.

5.3 Non-conflict

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 regulatory requirement applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets.

5.4 Power and authority

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.

5.5 Validity and admissibility in evidence

Each authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed; and
- (b) to make this Deed admissible in evidence in its jurisdiction of incorporation,

has been obtained or effected and is in full force and effect.

5.6 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might prevent it from accepting and performing any of its obligations under this Deed, have (to the best of its knowledge and belief) been started or threatened against it.

5.7 Insolvency

- (a) As at the date of this Deed it is not deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or any analogous provision in any relevant jurisdiction.
- (b) It has not taken any corporate action nor has any legal proceeding or other procedure or step been taken, started or threatened in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, the winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Chargor;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of the Chargor;
 - (iii) the expropriation, attachment, sequestration, distress or execution of any asset or assets of the Chargor;
 - (iv) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Chargor or any of its assets; or
 - (v) enforcement of any Security Interest over the assets of the Chargor,

or any analogous procedure or step in any relevant jurisdiction.

5.8 Restriction on transfer

The constitutional documents of the company in respect of which the Investments are issued do not and could not restrict or inhibit (whether absolutely, partly, under a discretionary power or otherwise) the transfer of the Investments in relation to the enforcement of the Security Interest created by or under this Deed.

5.9 Legal and beneficial ownership

It is and will be the sole legal and beneficial owner of the Charged Assets free from any encumbrance or Security Interest except as created by this Deed.

5.10 Effective Security

This Deed is an effective Security Interest over the Charged Assets.

5.11 Fully paid

Any shares falling within the definition of Investments are fully paid.

5.12 Repetition of representations

The representations and warranties set out in this clause 5 (Representations and warranties) are made by the Chargor on the date of this Deed and in addition are deemed to be made by the Chargor by reference to the facts and circumstances then existing on the date of any Drawdown Request and on each Payment Date.

6 Covenants

The Chargor gives the undertakings in this clause 6 which remain in force from the date of this Deed until this Deed is discharged.

6.1 Information

The Chargor shall supply to the Lender such information regarding its financial condition, business and operations as the Lender may reasonably request.

6.2 Negative pledge

It shall not create or permit to subsist any Security Interest over any of the Charged Assets save for the Security Interest created pursuant to this Deed.

6.3 Disposals

It shall not sell, lease, transfer or otherwise dispose of any Charged Asset.

7 Rights of enforcement

7.1 Enforcement

- (a) The Liabilities shall be deemed to have become due for the purposes of section 101 of the Act immediately upon the date of this Deed.
- (b) The enforcement powers of the Lender in connection with this Deed shall be immediately exercisable upon an Event of Default which is continuing or, at the Lender's discretion, at the request of the Chargor.
- (c) Clause 7.1(b) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.
- (d) The restrictions imposed by section 103 of the Act shall not apply to the security created by this Deed.

- (e) In addition to all other protection afforded by statute, every purchaser (as defined by section 205 of the Act) or other party dealing with the Lender or any Receiver shall be entitled to assume without enquiry that an Event of Default which is continuing has occurred and that the Liabilities are outstanding and have become due.

7.2 Lender's and Receiver's powers and rights

- (a) Upon the occurrence of the events described in clause 7.1(b)
 - (i) the Lender shall have the power:
 - (A) to appoint a Receiver of the whole or any part of the Charged Assets and (so far as the law allows) to remove and/or substitute any such appointee;
 - (B) to appropriate Charged Assets in accordance with clause 7.3 (Right of appropriation); and
 - (ii) the Lender (without becoming a mortgagee in possession) and/or any Receiver (without personal liability) shall have the power to:
 - (A) exercise all statutory and other powers and rights (including the powers conferred upon an administrative receiver by schedule 1 to the Insolvency Act 1986 whether or not the Lender and/or any Receiver is an administrative receiver);
 - (B) the powers and rights specified in the Schedule; and
 - (C) exercise them in the name of the Chargor and in such manner and on such terms as the person exercising them shall in its sole absolute discretion consider appropriate.

7.3 Right of appropriation

To the extent that any of the Charged Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under it constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Regulations), the Lender shall, following enforcement of this Deed, have the right to appropriate all or any part of it in or towards discharge of the Liabilities and transfer title in and to the Lender. For this purpose, the Parties agree that the value of the financial collateral so appropriated shall be the market price of such financial collateral determined by the Lender by reference to a public index or by such other process as the Lender may select, including independent valuation. The Parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

7.4 Receiver as agent

So far as the law allows, a Receiver shall be the agent of the Chargor, who shall be solely liable for his acts, defaults and remuneration, but the Lender shall be entitled to agree the fees and expenses of and the mode of payment to the Receiver.

7.5 Further powers

If the Chargor defaults in the observance and performance of any obligation to the Lender, the Lender or its agents (without any of them becoming a mortgagee in possession) may at

any time (but shall not be obliged to) do such things as it considers necessary to remedy the default.

7.6 Power of attorney

(a) The Chargor by way of security irrevocably appoints the Lender and every Receiver severally, at any time after an Event of Default has occurred and whilst it is continuing, to be its attorney in its name and on its behalf to execute any documents and do or perfect anything which the Lender and/or the Receiver shall consider appropriate for perfecting, maintaining, preserving, enhancing or enforcing the security created by this Deed and/or value of any of the Charged Assets and/or for the purpose of enforcing the performance of the Chargor's obligations in connection with this Deed. The power of attorney granted pursuant to this clause 7.6 is an irrevocable power of attorney for the purposes of section 4 Powers of Attorney Act 1971 and, for so long as any security granted pursuant to this Deed remains effective, this power of attorney shall not be revoked by:

- (i) the Chargor without the Lender's consent; or
- (ii) the incapacity, bankruptcy or dissolution of the Chargor.

(b) The power of attorney granted pursuant to clause 7.6(a) shall only be exercisable following an Event of Default.

8 Application of receipts

8.1 Priority of payment

On an Event of Default which is continuing and subject to sums secured by Security Interests having priority to the Security Interests created by this Deed, all monies received by the Lender and/or any Receiver in the enforcement of this Deed shall (subject as follows) be applied in the following order, in payment:

- (a) firstly, of all fees, costs, charges, taxes, liabilities and expenses in relation to any enforcement of this Deed (including in relation to any Receiver whether on its own behalf or on behalf of the Chargor or otherwise);
- (b) secondly, (insofar as not contemplated by clause 8.1(a)) of all fees, costs, charges, taxes, liabilities and expenses and other sums of the Lender in relation to the Finance Documents; and
- (c) finally, in accordance with the Facility Letter.

8.2 Crediting to suspense account

The Lender or any Receiver may credit any monies received from the enforcement of this Deed to any suspense account in any manner and for such period as the Lender or that Receiver thinks fit.

9 Notices

9.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing in the English language and, unless otherwise stated, may be made by letter.

9.2 Addresses

The Lender may deliver any communication, document or notice to the Chargor relating to this Deed to the Chargor's registered office or any additional address the Chargor may notify to the Lender by not less than five business days' notice.

9.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective 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.
- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified in the Facility Agreement.

10 Discharge

- (a) Once the Lender is satisfied that the Liabilities have been unconditionally and irrevocably paid, repaid and discharged in full, the Lender shall, at the request and cost of the Chargor, release and discharge this security.
- (b) No discharge will be of any effect if any security or payment given or made in respect of the Liabilities is rescinded, avoided, reduced or invalidated whether in respect of any insolvency or otherwise.

11 General provisions

11.1 Trust provisions

The undertakings and representations made by the Chargor under this Deed are made in favour of the Lender.

11.2 Limited Recourse

The Lender agrees that its rights of enforcement in respect of the Liabilities against the Chargor shall be limited to the rights of enforcement or recovery against the Charged Assets.

11.3 Enforcement

It shall not be necessary for the Lender before taking any enforcement under this Deed to enforce or seek to enforce any guarantee or other security or other rights whether from or against the Chargor or any other person. This clause 11.3 (Enforcement) applies irrespective of any law or any provision of a Finance Document to the contrary.

11.4 Exercise of powers and liability

- (a) This Deed is in addition to and will not merge in or in any way be prejudiced or affected by the holding or release by the Lender of any other security at any time held by the Lender.

- (b) The Lender may, at any time after this Deed has become enforceable, redeem or transfer to itself any prior Security Interest against the Charged Assets and may settle and pass the accounts of the prior chargee (which shall be binding on the Chargor).
- (c) None of the provisions of this Deed shall be deemed to impose on the Lender or imply on its part any obligation or other liability in relation to the Charged Assets.

11.5 Tacking

The Lender must perform its obligations under the Facility Letter (including any obligation to make further advances).

11.6 New Accounts

On receiving notice that the whole or any part of the Charged Assets has been encumbered by any Security Interest (other than the Security Interest created pursuant to this Deed) or disposed of:

- (a) the Lender may close the Chargor's then subsisting account and open a new account with the Chargor, and (unless the Lender gives the Chargor written notice otherwise) shall be deemed to have done so;
- (b) all payments made to the Lender after that date will be credited (or be treated as having been credited) to the new account; and
- (c) no money credited or treated as credited to the new account shall reduce the Liabilities.

11.7 Consolidation

The restriction on the right of consolidating mortgage securities contained in section 93 of the Act shall not apply to the security created by this Deed.

11.8 Rights of third parties

- (a) Unless the right of enforcement is expressly granted, it is not intended that a third party should have the right to enforce a provision of this Deed pursuant to the Contracts (Rights of Third Parties) Act 1999.
- (b) The parties may rescind or vary this Deed without the consent of a third party to whom an express right to enforce any of its terms has been provided.

11.9 Chargor's obligations

Neither the Security Interest created under this Deed nor the obligations of the Chargor under this Deed will be affected by any act, omission, matter or thing which, but for this clause 11.9 (Chargor's obligations) would reduce, release or prejudice that Security Interest or any of its obligations under this Deed (without limitation and whether or not known to it or the Lender) including:

- (a) any time, waiver or consent granted to, or composition with, the Borrower or other person;
- (b) the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of any member of the group;

- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security Interest over assets of the Borrower or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security Interest;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and whether or not more onerous), or replacement, assignment, avoidance or termination of any Finance Document or any other document or Security Interest including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or Security Interest;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security Interest; or
- (g) any insolvency or similar proceedings.

11.10 Chargor intent

Without prejudice to the generality of clause 11.9 (Chargor's obligations), the Chargor expressly confirms that it intends that the Security Interests created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following:

- (a) business acquisitions of any nature;
- (b) increasing working capital;
- (c) enabling investor distributions to be made;
- (d) carrying out restructurings;
- (e) refinancing existing facilities;
- (f) refinancing any other indebtedness;
- (g) making facilities available to new borrowers;
- (h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and/or
- (i) any fees, costs and/or expenses associated with any of the foregoing.

11.11 Appropriations

Until the Liabilities have been irrevocably paid in full, the Lender may:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by the Lender 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; and

- (b) hold in an interest-bearing suspense account any monies received from the Chargor or on account of the Chargor's liability under this Deed.

11.12 Deferral of Chargor's rights

- (a) Until the Liabilities have been irrevocably paid in full and unless the Lender otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:
 - (i) to be indemnified by the Borrower;
 - (ii) to claim any contribution from any other guarantor of the Borrower's obligations under the Finance Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender;
 - (iv) to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under this Deed;
 - (v) to exercise any right of set-off against the Borrower; and/or
 - (vi) to claim or prove as a creditor of the Borrower in competition with the Lender.
- (b) If the Chargor receives any benefit, payment or distribution in relation to any rights referred to in clause 11.12(a) it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Lender by the Borrower under or in connection with the Finance Documents to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with clause 8 (Application of receipts).

12 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.

13 Delivery

The parties intend this Deed to be delivered on the first date specified on page 1 of this Deed and that this document take effect as a deed notwithstanding the fact that the Lender may only execute this document under hand.

14 Law and Jurisdiction

14.1 Governing Law

This Deed and any non-contractual obligations arising out of or in relation to this Deed shall be governed by English law.

14.2 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute, including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with this Deed (**Dispute**).
- (b) The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This clause 14.2 (Law and Jurisdiction) is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

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

The Schedule

Lender's and Receiver's powers

1 Conduct of business

1.1 Carry on business

To acquire any property, chattels, plant, machinery and materials.

1.2 Compromise claims

To compromise any claim relating to the Charged Assets.

1.3 Borrowing and advancing

To borrow, raise or advance money whether or not in priority to the Liabilities and with or without security.

1.4 Employees

To employ solicitors, architects, surveyors, quantity surveyors, estate agents, contractors, builders, workmen, stockbrokers and others.

2 Dealing with the Chargor's Assets

2.1 Possession

To enter upon and take possession of, get in, use and/or collect any Charged Asset.

2.2 Payments

To pay any outgoings and payments charged on or otherwise relating to the Charged Assets or their ownership or use.

2.3 Receipts

To give receipts and releases for any sums received.

2.4 Assumption of rights

To assume, exercise, cancel and/or vary all or any of the powers and rights conferred on the Chargor under any Charged Asset.

2.5 Insurance

To effect insurances on such terms as it thinks fit.

3 Disposals

To sell or otherwise realise and deal with, and transfer title to, the Charged Assets, in return for such consideration as it thinks fit and whether or not:

(a) for immediate or deferred consideration;

(b) in return for a single payment or instalments; and

- (c) for consideration wholly or partly in cash, property or securities in whatever form, and in all cases the terms of which shall bind any subsequent mortgagee.

4 General

4.1 General powers

To do or abstain from doing all such things as it considers necessary or desirable for perfecting, maintaining preserving or enhancing the value of any of the Charged Assets or for or in connection with the enforcement of the security charges created by this Deed or the realisation of any of the Charged Assets, whether or not in accordance with the Facility Letter, including:

- (a) executing, delivering and completing all or any deeds or other documents;
- (b) using the name of the Chargor in connection with any of the purposes in this Schedule (Lender's and Receiver's powers);
- (c) commencing, carrying out and completing any acts, matters or proceedings in relation to any Charged Asset as if it were the sole and absolute beneficial owner of the Charged Assets; and
- (d) obtaining, entering into and maintaining any bonds, covenants, commitments, engagements, guarantees and indemnities or other like arrangements.

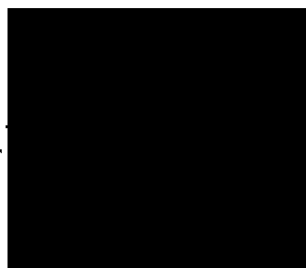
4.2 General

All its powers and discretions under this Deed shall be:

- (a) exercisable on such terms and conditions and otherwise as it may think fit; and
- (b) as if it were the absolute and beneficial owner.

Signed as a deed by *B. M. Douglas*
Director, duly authorised for and on behalf of
Capita Trust Company Limited
in the presence of:

)
) Director



Signature of Witness:

Name of Witness: *NIGEL PETERS*

Address of Witness: *40 DAKES PLACE, LONDON*

Occupation of Witness: *TRUST ADMINISTRATOR*

Signed by
duly authorised for and on behalf of
HSBC Bank plc

)
)
)

Signed as a deed by)
Director, duly authorised for and on behalf of) Director
Capita Trust Company Limited)
in the presence of:)

.....
Signature of Witness:

Name of Witness:

Address of Witness:

Occupation of Witness:

Signed by)
duly authorised for and on behalf of)
HSBC Bank plc)
