



Registration of a Charge

Company Name: **CHAMPNEYS TRING LIMITED**

Company Number: **00474937**



Received for filing in Electronic Format on the: **22/04/2024**

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Details of Charge

Date of creation: **19/04/2024**

Charge code: **0047 4937 0018**

Persons entitled: **SOLUTUS ADVISORS LIMITED AS SECURITY TRUSTEE FOR THE SECURED PARTIES**

Brief description: **THE LEASEHOLD LAND TO BE KNOWN AS CHAMPNEYS COLLEGE OF HEALTH AND BEAUTY LOCATED AT CHAMPNEYS HEALTH RESORT, CHESHAM ROAD, TRING HP23 6HY AS DEMISED IN A LEASE DATED ON OR AROUND THE DATE OF THIS DEED AND GRANTED OUT OF TITLE NUMBER HD358492.**

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:

BIRD & BIRD LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 474937

Charge code: 0047 4937 0018

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th April 2024 and created by CHAMPNEYS TRING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd April 2024 .

Given at Companies House, Cardiff on 24th April 2024

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**

Date: 19 April **2024**

(1) CHAMPNEYS TRING LIMITED

as Chargor

and

(2) SOLUTUS ADVISORS LIMITED

as Security Agent

SUPPLEMENTAL SECURITY AGREEMENT

We hereby certify that, save for material redacted pursuant to s859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

*Bird & Bird LLP
12 New Fetter Lane, London
EC4A 1JP*

22 April 2024

Bird & Bird

Bird & Bird LLP, 12 New Fetter Lane, London EC4A 1JP, United Kingdom

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THIS DEED is made the 19 day of April 2024

BETWEEN

- (1) **CHAMPNEYS TRING LIMITED**, a limited company incorporated in England and Wales with registration number 00474937 and having its registered office at 16 Great Queen Street, London WC2B 5AH (the "**Chargor**"); and
- (2) **SOLUTUS ADVISORS LIMITED** (the "**Security Agent**") as security trustee for the Secured Parties (as defined in the Facility Agreement defined below).

BACKGROUND

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

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

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

"**Champneys Tring Beauty School Pre-Emption Agreement**" means the pre-emption agreement relating to the Champneys Tring Beauty School Property dated on or about the date of this Deed between Eastway Estates Limited (as Seller) and Champneys Tring Limited (as Buyer);

"**Champneys Tring Beauty School Property**" means the Property identified as such in Schedule 1 (*Real Property*);

"**Facility Agreement**" means the Facility Agreement originally dated 29 April 2022 between, amongst others, Champneys Henlow Limited (as Borrower) and Solutus Advisors Limited (as Security Agent) as amended and restated by an amendment and restatement agreement dated 5 January 2023 as amended on 28 July 2023, 30 November 2023 and 12 January 2024 and as further amended by an amendment agreement dated on or about the date of this Deed between, amongst others, Champneys Henlow Limited (as Borrower) and Solutus Advisors Limited (as Security Agent) (as amended, restated or novated from time to time);

"**Mortgaged Property**" means all freehold or leasehold property included in the definition of Security Asset;

"**Party**" means a party to this Deed;

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

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

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document, except for any obligation which, if it were so included, would result in this Deed contravening section 678 or 679 of the Companies Act 2006;

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

1.2 Construction

- 1.2.1 Capitalised terms defined in the Facility Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- 1.2.2 The provisions of Clause 1.2 (*Construction*) and Clause 1.5 (*Scottish Terms*) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.
- 1.2.3 Unless a contrary indication appears, a reference in this Deed to:
- (a) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (b) any **rights** in respect of an asset includes:
 - (i) all amounts and proceeds paid or payable;
 - (ii) all rights to make any demand or claim; and
 - (iii) all powers, remedies, causes of action, security, guarantees and indemnities,
 in each case in respect of or derived from that asset;
 - (c) any share, stock, debenture, bond or other security or investment includes:
 - (i) any dividend, interest or other distribution paid or payable;
 - (ii) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,
 in each case in respect of that share, stock, debenture, bond or other security or investment; and
 - (d) the term **this Security** means any Security created by this Deed.
- 1.2.4 Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.

- 1.2.5 The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.2.6 If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.2.7 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.
- 1.2.8 Any reference in this Deed to the Security Agent providing approval or making a request, or to an item or a person being acceptable to, satisfactory to, to the satisfaction of, or approved by the Security Agent, is to be construed, unless otherwise specified, as a reference to the Security Agent taking such action, or refraining from acting, on the instructions of the Majority Lenders, and a reference in this Deed to:
 - (a) the Security Agent acting reasonably;
 - (b) a matter being in the reasonable opinion of the Security Agent;
 - (c) the Security Agent's approval or consent not being unreasonably withheld or delayed; or
 - (d) any document, report, confirmation or evidence being required to be reasonably satisfactory to the Security Agent,

is to be construed, unless otherwise specified in this Deed, as the Security Agent acting on the instructions of the Majority Lenders (and the Majority Lenders hereby agree to act reasonably in circumstances where the Security Agent would otherwise be required to act reasonably if this Clause 1.2.8 did not apply). Where the Security Agent is obliged to consult under the terms of this Deed, unless otherwise specified, the Majority Lenders must instruct the Security Agent to consult in accordance with the terms of this Deed and the Security Agent must carry out that consultation in accordance with the instructions it receives from the Majority Lenders.

1.3 Third party rights

- 1.3.1 Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- 1.3.2 Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- 1.3.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to Clause 1.3.2 above and the provisions of the Third Parties Act.

2. CREATION OF SECURITY

2.1 General

2.1.1 The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

2.1.2 All the security created under this Deed:

- (a) is created in favour of the Security Agent;
- (b) is created over present and future assets of the Chargor;
- (c) is security for the payment of all the Secured Liabilities; and
- (d) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.1.3 The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

2.2 Land

2.2.1 The Chargor charges:

- (a) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it, this includes the real property (if any) specified in Schedule 1 (*Real Property*); and
- (b) (to the extent that they are not the subject of a mortgage under Clause 2.2.1(a) above) by way of a first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.

2.2.2 A reference in this Clause 2 to a mortgage or charge of any freehold or leasehold property includes:

- (a) all buildings, fixtures, fittings and fixed plant and machinery on that property (other than those belonging to any third party tenant or occupier of the relevant property); and
- (b) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 Plant and machinery

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (*Land*), the Chargor charges by way of a first fixed charge all plant and machinery owned by the Chargor and its interest in any plant or machinery in its possession.

2.4 Other contracts

2.4.1 The Chargor:

- (a) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
 - (i) under each Lease Document;
 - (ii) under the Champneys Tring Beauty School Pre-Emption Agreement;
 - (iii) in respect of all Operating Revenue; and
 - (iv) under any guarantee of Operating Revenue contained in or relating to any Lease Document; and
- (b) charges by way of a first fixed charge all of its rights under any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed security created under any other term of this Clause 2.

2.4.2 To the extent that they have not been effectively assigned under Clause 2.4.1(a) above, the Chargor charges by way of a first fixed charge all of its rights listed under Clause 2.4.1(a) above.

2.5 Miscellaneous

The Chargor charges by way of first fixed charge:

- 2.5.1 its goodwill;
- 2.5.2 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- 2.5.3 the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in Clause 2.5.2 above; and
- 2.5.4 the benefit of all rights in relation to any item under Clauses 2.5.1 to **Error! Reference source not found.** above.

3. RESTRICTIONS ON DEALINGS

3.1 Security

Except as expressly allowed under the Facility Agreement or this Deed, the Chargor must not create or permit to subsist any Security on any Security Asset.

3.2 Disposals

Except as expressly allowed under the Facility Agreement or this Deed, the Chargor must not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

4. LAND

4.1 Notices to tenants

- 4.1.1 The Chargor must:

- (a) serve a notice of assignment, substantially in the form of Part 1 of Schedule 2 (*Forms of Letter for Occupational Tenants*), on each tenant of the Mortgaged Property, such notice to be served:
 - (i) on the date of this Deed for all tenants in place on that date; and
 - (ii) for any new tenant, promptly upon such tenant entering into a Lease Document; and
- (b) use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part 2 of Schedule 2 (*Forms of Letter for Occupational Tenants*).

4.2 Land Registry

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

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

5. OTHER CONTRACTS

The Chargor must, at the request of the Security Agent:

- 5.1.1 immediately serve a notice of assignment or charge (as applicable), substantially in the form of Part 1 of Schedule 3 (*Forms of Letter for Other Contracts*), on each counterparty to a contract listed in Clause 2.4 (*Other contracts*); and
- 5.1.2 use reasonable endeavours to ensure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 3 (*Forms of Letter for Other Contracts*).

6. WHEN SECURITY BECOMES ENFORCEABLE

6.1 Event of Default

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

6.2 Discretion

After this Security has become enforceable, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Facility Agreement.

6.3 Statutory powers

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

7. ENFORCEMENT OF SECURITY

7.1 General

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

7.2 No liability as mortgagee in possession

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

7.3 Privileges

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

7.4 Protection of third parties

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

- 7.4.1 whether the Secured Liabilities have become payable;
- 7.4.2 whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- 7.4.3 whether any money remains due under the Finance Documents; or
- 7.4.4 how any money paid to the Security Agent or to that Receiver is to be applied.

7.5 Redemption of prior mortgages

- 7.5.1 At any time after this Security has become enforceable, the Security Agent may:
 - (a) redeem any prior Security against any Security Asset; and/or
 - (b) procure the transfer of that Security to itself; and/or
 - (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.

- 7.5.2 The Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

7.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

8. RECEIVER

8.1 Appointment of Receiver

- 8.1.1 Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:

- (a) this Security has become enforceable; or
- (b) the Chargor so requests to the Security Agent at any time.

- 8.1.2 Any appointment under Clause 8.1.1 above may be by deed, under seal or in writing under its hand.

- 8.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

- 8.1.4 The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

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

8.2 Removal

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

8.3 Remuneration

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

8.4 Agent of the Chargor

- 8.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly

appointed by a mortgagee under the Act. The Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

- 8.4.2 No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

8.5 Relationship with Security Agent

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

9. POWERS OF RECEIVER

9.1 General

- 9.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 9 in addition to those conferred on it by any law. This includes:

- (a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.

- 9.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

9.2 Possession

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

9.3 Carry on business

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

9.4 Employees

- 9.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.

- 9.4.2 A Receiver may discharge any person appointed by the Chargor.

9.5 Borrow money

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

9.6 Sale of assets

- 9.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.
- 9.6.2 The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.
- 9.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

9.7 Leases

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

9.8 Compromise

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

9.9 Legal actions

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

9.10 Receipts

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

9.11 Subsidiaries

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

9.12 Delegation

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

9.13 Lending

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

9.14 Protection of assets

A Receiver may:

- 9.14.1 effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;

- 9.14.2 commence and/or complete any building operation; and
- 9.14.3 apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

9.15 Other powers

A Receiver may:

- 9.15.1 do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- 9.15.2 exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and
- 9.15.3 use the name of the Chargor for any of the above purposes.

10. APPLICATION OF PROCEEDS

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Facility Agreement. This Clause 10:

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

11. EXPENSES AND INDEMNITY

The Chargor must:

- 11.1.1 within five Business Days of demand pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- 11.1.2 keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

12. DELEGATION

12.1 Power of Attorney

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

12.2 Terms

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

12.3 Liability

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

13. FURTHER ASSURANCES

13.1.1 The Chargor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may reasonably require for creating, perfecting or protecting any security over any Security Asset.

13.1.2 The Chargor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may require for facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.

13.1.3 The action that may be required under Clauses 13.1.1 and 13.1.2 above includes:

- (a) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or
- (b) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may consider necessary.

14. POWER OF ATTORNEY

14.1 The Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 14.

14.2 The power of attorney at Clause 14.1 shall only be invoked following the occurrence of an Event of Default which is continuing or if the Chargor has failed to carry out its obligations in accordance with the terms of this Deed.

15. MISCELLANEOUS

15.1 Continuing Security

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

15.2 Tacking

Each Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

15.3 New Accounts

15.3.1 If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the Chargor.

15.3.2 If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

15.3.3 As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

15.4 Time deposits

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

15.4.1 this Security has become enforceable; and

15.4.2 no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

15.5 Notice to Chargor

This Deed constitutes notice in writing to the Chargor of any charge or assignment of a debt owed by the Chargor to any Transaction Obligor and contained in any other Security Document.

16. RELEASE

At the end of the Security Period, the Finance Parties must, at the request and cost of the Chargor, take whatever action is necessary to release the Chargor's Security Assets from this Security.

17. 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.

18. GOVERNING LAW

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

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

Schedule 1
Real Property

Owner	Description (Property Definition)	Title Number
Champneys Tring Limited	The leasehold land to be known as Champneys College of Health and Beauty located at Champneys Health Resort, Chesham Road, Tring HP23 6HY as demised in a lease dated on or around the date of this Deed and granted out of title number HD358492 and made between (1) Eastway Estates Limited and (2) Champneys Tring Limited ("Champneys Tring Beauty School Property")	To be allocated by the Land Registry

Schedule 2

Forms of Letter for Occupational Tenants

Part 1

Notice to Occupational Tenant

To: [Occupational tenant]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

Re: [Property address]

**Security Agreement dated [] between [Chargor]
and [Security Agent] (the Security Agreement)**

We refer to the lease dated [] and made between [] and [] (the **Lease**).

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely (subject to a proviso for re-assignment on redemption) to [Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, the **Security Agent**) all our rights under the Lease.

We confirm that:

- (a) we will remain liable under the Lease to perform all the obligations assumed by us under the Lease; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Lease.

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

We irrevocably instruct and authorise you to pay all rent and all other moneys payable by you under the Lease to our account [with the Security Agent] at [], Account No. [], Sort Code [] (the **Rent Account**).

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

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

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

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

Yours faithfully,

.....
(Authorised Signatory)
[Chargor]

Part 2

Acknowledgement of Occupational Tenant

To: [Security Agent] (as Security Agent)

Attention: []

[Date]

Dear Sirs,

Re: [Property address]

**Security Agreement dated [] between [Chargor]
and [Security Agent] (the Security Agreement)**

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

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received any notice of any prior security over the Lease or that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease;
- (c) must pay all rent and all other moneys payable by us under the Lease into the Rent Account (as defined in the Notice); and
- (d) must continue to pay those moneys into the Rent Account (as defined in the Notice) until we receive your written instructions to the contrary.

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

Yours faithfully,

.....

For

[Occupational tenant]

Schedule 3

Forms of Letter for Other Contracts

Part 1

Notice to Counterparty

To: [Contract Counterparty]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [] between [Chargor]
and [Security Agent] (the Security Agreement)**

This letter constitutes notice to you that under the Security Agreement we have [assigned absolutely, subject to a proviso for re-assignment on redemption,]/[charged by way of a first fixed charge]¹ to [Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, the **Security Agent**) all our rights in respect of [insert details of contract] (the **Contract**).

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

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

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Contract requested from you by the Security Agent.

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

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

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

¹ Delete as applicable.

Yours faithfully,

.....
(Authorised signatory)
[Chargor]

Part 2

Acknowledgement of Counterparty

To: [Security Agent] (as Security Agent)

Copy: [Chargor]

[Date]

Dear Sirs,

**Security Agreement dated [] between [Chargor]
and [Security Agent] (the Security Agreement)**

We confirm receipt from [Chargor] (the **Chargor**) of a notice dated [] (the **Notice**) of [an assignment]/[fixed charge]² on the terms of the Security Agreement of all the Chargor's rights in respect of [insert details of the contract] (the **Contract**).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
and
- (b) will give notices and make payments under the Contract as directed in the Notice.

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

Yours faithfully,

.....
(Authorised signatory)
[Contract counterparty]

² Delete as applicable.

SIGNATURES

Chargor

Executed as a deed by
CHAMPNEYS TRING LIMITED
acting by a director in the presence of:

)

)

)

.....
Director

.....
Signature of witness

I confirm that I was physically present when the director signed this Deed.

Name

Gary Foster.....

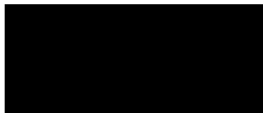
Address

.....

Security Agent

SOLUTUS ADVISORS LIMITED

By:



.....
Authorised signatory

Address: Canal Mill, Botany Bay, Chorley, Lancashire, PR6 9AF

Email: saprimary@solutus.co.uk

Attention: Head of Servicing (UK)