



Registration of a Charge

Company name: **VP PLC**
Company number: **00481833**



X6J7UPYW

Received for Electronic Filing: **14/11/2017**

Details of Charge

Date of creation: **07/11/2017**
Charge code: **0048 1833 0036**
Persons entitled: **LLOYDS BANK PLC AS SECURITY AGENT**
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: **PINSENT MASONS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 481833

Charge code: 0048 1833 0036

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th November 2017 and created by VP PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th November 2017 .

Given at Companies House, Cardiff on 16th November 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

DATED 7 November 2017

EXECUTION COPY

(1) VP PLC (AS ASSIGNOR)

(2) LLOYDS BANK PLC
(AS SECURITY AGENT)

ASSIGNMENT OF CONTRACTS AND INSURANCES -
FACILITY "A"



Pinsent Masons

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THIS DEED is made on

7 November 2017

BETWEEN

- (1) **VP PLC**, a company incorporated in England and Wales with company number 00481833 whose registered office is at Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire, HG3 1UD (the "**Assignor**"); and
- (2) **LLOYDS BANK PLC** as security agent and trustee for itself and each of the Finance Parties (the "**Security Agent**")

RECITALS

- (A) The Lenders have agreed to make credit facilities available on the terms of the Facilities Agreement.
- (B) The Assignor has agreed to provide Security to the Security Agent to secure the payment and discharge of the Secured Liabilities.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

1.1 In this Deed:-

"Charged Property" means all the property, assets and undertaking of the Assignor which from time to time are, or are expressed to be, the subject of the Security created in favour of the Security Agent by or pursuant to this Deed

"Contracts" means:

(i) the sale and purchase agreement relating to the sale and purchase of the whole of the issued share capital of Brandon Hire Group Holdings Limited (the "**Target**") made between the Assignor and the Sellers (as defined therein) (the "**SPA Counterparty**")

(ii) the warranty deed relating to the purchase of Target made between the Warrantors (as defined therein) (the "**Warranty Deed Counterparty**") and the Assignor

"Counterparty" means each of the SPA Counterparty and the Warranty Deed Counterparty

"Default Rate" means the rate of interest specified in, and calculated in accordance with, clause 10.3 of the Facilities Agreement

"Facilities Agreement" means the revolving facilities agreement "a" dated 15 May 2013 as amended and restated on 27 June 2014 and 11 May 2015 and as further amended and restated on 16 December 2016 and as further amended and restated on or about the date of this Deed made between, among others, the Assignor as Company, the Lenders referred to therein and the Security Agent

"Insurance" means Buyer-Side Warranty & Indemnity Insurance Policy with policy number HG17WI2370

"Insurer" means Hunter George & Partners Limited

"LPA"	means the Law of Property Act 1925
"Notice of Assignment"	means each of a notice of assignment in the form set out in Schedule 1 (<i>Form of Notice of Assignment of Contracts</i>) and a notice of assignment in the form set out in Schedule 2 (<i>Form of Notice of Assignment of Insurance</i>)
"Receiver"	means any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property
"Related Rights"	means in relation to any Charged Property: <ul style="list-style-type: none"> (a) the proceeds of sale of any part of that Charged Property; (b) all rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that Charged Property; and (c) any moneys and proceeds paid or payable in respect of that Charged Property
"Secured Liability"	means all present and future liabilities and obligations at any time of any Obligor to any Finance Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:- <ul style="list-style-type: none"> (a) any refinancing, novation, deferral or extension; (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition; (c) any claim for damages or restitution; and (d) any claim as a result of any recovery by any Obligor of a payment on the grounds of preference or otherwise, <p>and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings, and all other present and future liabilities and obligations at any time due, owing or incurred by any Obligor to any Finance Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity (together the "Secured Liabilities")</p>

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement have the same meanings in this Deed.

1.3 Interpretation

The principles of interpretation set out in clauses 1.2 to 1.3 of the Facilities Agreement shall apply to this Deed insofar as they are relevant to it and in this Deed, unless the context otherwise requires, a reference to a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Finance Document or other agreement or instrument and includes any increase in, extension of or change to any facility made available under that Finance Document or other agreement or instrument.

1.4 Acknowledgement

The Assignor acknowledges that the Security Agent enters into this Deed for itself and as trustee for the Finance Parties who shall be entitled to the full benefit of this Deed.

1.5 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

1.6 Third party rights

1.6.1 Unless expressly provided to the contrary in this Deed a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.

1.6.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

2. COVENANT TO PAY

2.1 Secured Liabilities

The Assignor covenants that it will on demand pay and discharge any or all of the Secured Liabilities when due.

2.2 Interest

The Assignor covenants to pay interest on any sum demanded in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment) at the Default Rate.

3. SECURITY

3.1 Assignment

As a continuing security for payment of the Secured Liabilities, the Assignor with full title guarantee:-

3.1.1 assigns all its present and future right, title and interest in and to, and all benefits accruing under or in connection with the Contracts and the Insurance and all Related Rights in respect of the Contracts and the Insurance absolutely in favour of the Security Agent subject to a proviso for reassignment on redemption; and

3.1.2 to the extent not assigned or effectively assigned by Clause 3.1.1, charges by way of first fixed charge in favour of the Security Agent all its present and future right, title and interest in and to, and all benefits accruing under or in connection with the Contracts and the Insurance and all Related Rights in respect of the Contracts and the Insurance.

3.2 Dealings

3.2.1 Until an Event of Default occurs and is continuing, but subject always to Clauses 4 (*Undertakings*) and 4.5 (*Restrictions and further assurance*), the Assignor may continue to deal with:

(a) each Counterparty in relation to the Contracts;

(b) the Insurer in relation to the Insurance.

3.2.2 Upon the occurrence of an Event of Default which is continuing, the Assignor shall have no further right to deal with each Counterparty and the Insurer and the Security Agent may notify each Counterparty and the Insurer that it should deal only with the Security Agent.

3.3 Trust

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the Assignor shall hold it on trust for the Security Agent.

4. UNDERTAKINGS

The covenants in this Clause 4 (*Undertakings*) remain in at all times during the subsistence of this Deed.

4.1 The Assignor shall:-

4.1.1 deliver to the Security Agent, promptly following execution of the same, such documents relating to the Contracts and the Insurance as the Security Agent may reasonably require;

4.1.2 perform all its obligations under the Contracts and Insurance in a diligent and timely manner;

4.1.3 notify the Security Agent of any breach of or default under any Contract or Insurance by it or any other party and any right that arises entitling it or any other party to terminate or rescind any Contract or Insurance, promptly upon becoming aware of the same;

4.1.4 deliver (or procure delivery of) to the Security Agent duly executed Notices of Assignment on the date of this Deed and shall use reasonable endeavours to procure that each Notice of Assignment is acknowledged by the party to whom it is addressed;

4.1.5 comply with the terms of the Insurance; and

4.1.6 if the Insurance becomes void or voidable, immediately, at its own cost, effect a new Insurance of the same value as the void or voidable policy.

4.2 The Assignor shall not, without the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed):

4.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of the Contracts or Insurance, save where such action is merely administrative in nature or could not reasonably be expected to be detrimental to the Finance Parties;

4.2.2 exercise any right to rescind, cancel, terminate or release any Counterparty or the Insurer from any obligations (or agree to do to any of the foregoing) in respect of any the Contracts or Insurance, save where such action could not reasonably be expected to be detrimental to the Finance Parties; or

4.2.3 assign, transfer, charge or otherwise deal with or dispose of any Contract or Insurance or any of its rights, title, interest and benefits in, to and in respect of any the Contracts or Insurances,

except as permitted by the terms of the Finance Documents.

4.3 Save as expressly restricted pursuant to the terms of the Finance Documents, while no Event of Default is continuing, the Assignor may exercise all its rights in respect of the Contracts to which it is a party including receiving and exercising all rights relating to proceeds of those Contracts.

4.4 While no Event of Default is continuing, the Assignor may exercise all its rights in respect of the Insurance including receiving and exercising all rights relating to proceeds of the Insurance to the extent permitted pursuant to the terms of the Finance Documents.

4.5 After the occurrence of an Event of Default the Assignor shall hold all moneys received under the Insurance upon trust for the Security Agent pending payment to the Security Agent for application in accordance with Clause 8 (*Application of Moneys*).

4.6 **Payments without deduction**

The Assignor shall calculate and make all payments under this Deed without (and free and clear of any deduction for) set-off or counterclaim.

4.7 **Assignor remains liable**

The Assignor shall remain liable to perform all its obligations under the Contracts and the Insurance and the Security Agent shall be under no obligation or liability as a result of any failure by the Assignor to perform those obligations.

5. **RESTRICTIONS AND FURTHER ASSURANCE**

5.1 **Security**

The Assignor shall not create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by clause 23.3 (*Negative pledge*) of the Facilities Agreement.

5.2 **Disposal**

The Assignor shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub license, transfer or otherwise dispose of any Charged Property except as permitted by clause 23.4 (*Disposals*) of the Facilities Agreement.

5.3 **Preservation of Contracts**

The Assignor shall not take any Security in connection with its liability under this Deed from any guarantor of, or provider of Security for, any of the Secured Liabilities.

5.4 **Preservation of rights**

The Assignor shall not do, permit or suffer or to be done anything which may prevent the Security Agent (or any person claiming title through the Security Agent) from exercising the rights of the Assignor (including any right to receive payments) under all or any part of any Contract following the occurrence of an Event of Default which is continuing.

5.5 **Further assurance**

The Assignor shall promptly do whatever the Security Agent requires:-

5.5.1 to perfect or protect the Security created or expressed to be created by this Deed, or its priority; or

5.5.2 to facilitate the realisation of the Charged Property or the exercise of any rights vested in the Security Agent or any Receiver,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

6. DEMAND AND ENFORCEMENT

6.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

6.1.1 the occurrence of an Event of Default which is continuing; and

6.1.2 any request being made by the Assignor to the Security Agent for the appointment of a Receiver or an administrator, or for the Security Agent to exercise any other power or right available to it.

6.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Assignor) do all or any of the following:-

6.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;

6.2.2 apply any sums payable under the Contracts and the Insurance in or towards satisfaction of the Secured Liabilities;

6.2.3 exercise all the powers and rights of the Assignor under the Contracts and the Insurance; and

6.2.4 subject to Clause 7.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property.

6.3 Disposal of the Charged Property

In exercising the powers referred to in Clause 6.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Charged Property at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

6.4 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

6.5 Delegation

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub delegate) as the Security Agent thinks fit.

7. RECEIVERS

7.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

7.2 Removal

The Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

7.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

- 7.3.1 of the Security Agent under this Deed;
- 7.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;
- 7.3.3 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 7.3.4 in relation to any Charged Property, which he would have if he were its only beneficial owner; and
- 7.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

7.4 Receiver as agent

The Receiver shall be the agent of the Assignor (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities) unless and until the Assignor goes into liquidation, from which time he shall act as principal and shall not become the agent of the Assignor.

7.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

7.6 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

8. APPLICATION OF MONEYS

8.1 Application of moneys

All sums received by virtue of this Deed and/or any other Transaction Security Documents by the Security Agent or any Receiver shall, subject to the payment of any claim having priority to this

Deed and subject to the terms of the Intercreditor Agreement, be paid or applied in the following order of priority:-

- 8.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Security Agent as agent for the Finance Parties and/or as trustee in relation to the Transaction Security Documents, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full or other person entitled to it;
- 8.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Agent or any Receiver;
- 8.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Facilities Agreement;
- 8.1.4 **fourthly**, in the payment of the surplus (if any), to the Assignor or any other person entitled to it,

and section 109(8) of the LPA shall not apply.

9. POWER OF ATTORNEY

9.1 Appointment

The Assignor irrevocably and by way of security appoints:-

- 9.1.1 the Security Agent (whether or not a Receiver has been appointed);
- 9.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Security Agent; and
- 9.1.3 (as a separate appointment) each Receiver,

severally as the Assignor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of the Assignor which the Assignor could be required to do or execute under any provision of this Deed, or which the Security Agent in its sole opinion may consider necessary or desirable for perfecting its title to any of the Charged Property or enabling the Security Agent or the Receiver to exercise any of its rights or powers under this Deed.

9.2 Ratification

The Assignor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 9.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 9.1 (*Appointment*).

10. CONSOLIDATION

10.1 Combination of accounts

In addition to any general lien, right to combine accounts, right of set-off or other right which it may have, the Security Agent may at any time after this Deed has become enforceable, without notice to the Assignor, combine or consolidate all or any accounts which it then has in relation to the Assignor (in whatever name) and any Secured Liabilities owed by the Assignor to it, and/or set-off or transfer any amounts standing to the credit of one or more accounts of the Assignor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

10.2 Application

The Security Agent's rights under Clause 10.1 (*Combination of accounts*) apply:-

- 10.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;
- 10.2.2 whether or not any credit balance is immediately available or subject to any restriction;
- 10.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Security Agent may, for the purpose of exercising its rights, elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and
- 10.2.4 in respect of any Secured Liabilities owed by the Assignor, however arising.

11. PROTECTION OF THIRD PARTIES

11.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Security Agent, as varied and extended by this Deed, and all other powers of the Security Agent, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

11.2 Purchasers

No purchaser from or other person dealing with the Security Agent, any person to whom it has delegated any of its powers, or the Receiver, shall be concerned:-

- 11.2.1 to enquire whether any of the powers which the Security Agent or a Receiver have exercised has arisen or become exercisable;
- 11.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act; or
- 11.2.3 as to the propriety or validity of the exercise of those powers,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

11.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any person to whom any of them have delegated any of their powers.

12. PROTECTION OF THE FINANCE PARTIES AND ANY RECEIVER

12.1 No obligation

Notwithstanding any other term of this Deed no Finance Party shall have any obligation or liability under the Contracts or the Insurance by reason only of this Deed to:-

- 12.1.1 perform any of the obligations or duties of the Assignor under the Contracts or the Insurance;
- 12.1.2 make any payment under the Contracts or the Insurance;

12.1.3 present or file any claim or take any other action to collect or enforce any claim for the payment of any sum payable under any Contract; or

12.1.4 make any enquiries as to the nature or sufficiency of any payments received by it under this Deed.

12.2 No liability

None of the Security Agent, the other Finance Parties, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

12.3 Indemnity

The Assignor shall indemnify and keep indemnified the Security Agent, each other Finance Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

12.3.1 any act or omission by any of them in relation to all or any of the Charged Property;

12.3.2 any payment relating to or in respect of all or any of the Charged Property which is made at any time by any of them;

12.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

12.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and

12.3.5 any breach by the Assignor of any of its covenants or other obligations to the Security Agent or any other Finance Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

12.4 Interest

The Assignor shall pay interest at the Default Rate on the sums payable under this Clause 12 (*Protection of the Finance Parties and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

12.5 Indemnity out of the Charged Property

The Security Agent, the other Finance Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Property in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 12.3 (*Indemnity*).

12.6 Continuing protection

The provisions of this Clause 12 (*Protection of the Finance Parties and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

13. PROVISIONS RELATING TO THE SECURITY AGENT

13.1 Powers and discretions

The rights, powers and discretions given to the Security Agent in this Deed:-

- 13.1.1 may be exercised as often as, and in such manner as, the Security Agent thinks fit;
- 13.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 13.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.
- 13.2 Trusts**
- The perpetuity period for any trusts constituted by this Deed shall be 125 years.
- 14. PRESERVATION OF SECURITY**
- 14.1 Continuing Security**
- This Deed shall be a continuing security to the Security Agent and shall remain in force until expressly discharged in writing by the Security Agent notwithstanding any intermediate settlement of account or other matter or thing whatsoever.
- 14.2 Additional Security**
- This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Security Agent may have now or at any time in the future for or in respect of any of the Secured Liabilities.
- 14.3 Waiver of Defences**
- Neither the Security created by this Deed nor the obligations of the Assignor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it or the Security Agent or any other Finance Party including:-
- 14.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 14.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 14.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor 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;
- 14.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- 14.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- 14.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 14.3.7 an insolvency, liquidation, administration or similar procedure.
- 14.4 Immediate recourse**
- The Assignor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights of Security or claim payment

from any person before claiming from the Assignor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

14.5 Appropriations

During the subsistence of this Deed any Finance Party may:-

14.5.1 refrain from applying or enforcing any monies, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 8.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Assignor shall not be entitled to the same; and

14.5.2 hold in an interest-bearing suspense account any moneys received from the Assignor on or account of the Secured Liabilities.

14.6 New Accounts

If the Security Agent or any other Finance Party receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Charged Property or if a petition is presented or a resolution passed in relation to the winding up of the Assignor, it may close the current account or accounts and/or open a new account or accounts for each Borrower. If the Security Agent or any other Finance Party does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by a Borrower to that Finance Party shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

14.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Borrowers on the terms and subject to the conditions of the Finance Documents.

14.8 Deferral of Assignor's rights

During the subsistence of this Deed and unless the Security Agent otherwise directs, the Assignor shall not exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

14.8.1 to receive or claim payment from, or be indemnified by an Obligor;

14.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;

14.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Finance Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;

14.8.4 to exercise any right of set-off against any Obligor; and/or to claim or prove as a creditor of any Obligor in competition with any Finance Party.

15. RELEASE

15.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Assignor:-

15.1.1 release the Charged Property from this Deed; and

15.1.2 re-assign the Charged Property that has been assigned to the Security Agent under this Deed.

15.2 Reinstatement

If the Security Agent considers that any amount paid or credited to any Finance Party under any Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

15.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

15.2.2 the liability of the Assignor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

15.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

16. MISCELLANEOUS PROVISIONS

16.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

16.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

16.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

16.2 Amendments and variations

This Deed shall remain in full force and effect notwithstanding any amendment, restatement, novation or supplementation of the Finance Documents (including any increase in the amount of the Secured Liabilities).

16.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provide by law.

16.4 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.

17. GOVERNING LAW

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

18. **ENFORCEMENT**

- 18.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- 18.1.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 18.1.3 This Clause 18 (*Enforcement*) is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

Executed as a deed and delivered on the date appearing at the beginning of this Deed.

SCHEDULE 1

FORM OF NOTICE OF ASSIGNMENT OF CONTRACT

To be printed on the headed notepaper of the Assignor

To: [Insert name and address of relevant contract counterparty]

Date: []

Dear Sirs,

[DESCRIPTION OF RELEVANT ASSIGNED CONTRACT] (THE "CONTRACT")

1. We give you notice that we have entered into an assignment of contracts and insurance dated [] in favour of Lloyds Bank plc (the "Security Agent") (the "Assignment Contract").
2. We give you notice that, pursuant to the terms of the Assignment Contract, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Security Agent by way of security all of our rights, title and interest from time to time in, and the full benefit of, the Contract and all rights, title and interest in any amounts payable to us under the Contract, including any claims for damages in respect of any breach of the Contract.
3. Following the Security Agent's notification to you that the security created by the Assignment Contract has become enforceable:-
 - 3.1 [all payments to be made to us under or arising from the Contract should be made [to the Security Agent or to its order as it may specify in writing from time to time] *[specify bank account]*;
 - 3.2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;
 - 3.3 you are authorised and instructed, without further approval from us, to comply with your obligations (including without limitation your payment obligations) under the Contract in accordance with the written instructions of the Security Agent from time to time (and to hold the money for any such payments to the Security Agent's order pending receipt of written instructions from the Security Agent); and
 - 3.4 subject to paragraph 4 below, you shall allow the Security Agent to perform all the obligations assumed by us under the Contract.
4. We shall remain liable to perform all our obligations under the Contract and the Security Agent shall be under no obligation of any kind whatsoever in respect of the Contract.
5. With effect from the date of receipt of this notice, we irrevocably and unconditionally instruct and authorise you, without requiring further approval from us, to:
 - 5.1 promptly disclose to the Security Agent such information relating to the Contract as the Security Agent may at any time request including, without limitation, all information, accounts and records in your possession or control that may be

necessary or of assistance to enable the Security Agent to verify the amount of all payments made or payable under the Contract by you or the performance by you of all your obligations under the Contract; and

- 5.2 provide the Security Agent with copies of all notices given or received under the Contract promptly after they are given or received.
6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Security Agent.
7. By countersigning this letter, you confirm that you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Security Agent at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
VP PLC

Acknowledged:

.....

For and on behalf of

[Name of counterparty]

SCHEDULE 2

FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To be printed on the headed notepaper of the Assignor

To:

Hunter George & Partners Limited
62 Cornhill,
London,
EC3V 3NH

Date: []

Dear Sirs,

Re: Warranty & Indemnity Insurance Policy, Policy Number HG17WI2370 (the **Policy**)

We inform you that we have assigned to [•] (the **Finance Parties**) being represented by [•] as [facility agent/security trustee] (the **Facility Agent**) all our rights relating to payment of all and any proceeds received by or due to us under the Policy.

Payment of any proceeds under the Policy to the [Facility Agent] constitutes full discharge of your obligations in respect thereof to the Insured.

We kindly request that you confirm your receipt and acknowledgement of the above by returning signed copies of this notification to us and the [Facility Agent].

Yours sincerely

[Details]

To: The Insured

To: The Facility Agent

We acknowledge receipt of the above letter and confirm that we will pay any and all proceeds payable by us to the Insured under the Policy to such account as notified to us by the Facility Agent from time to time.

Payment of proceeds under the Policy to the Facility Agent constitutes full discharge of our obligations in respect thereof to the Insured.

Signed by the Coverholder

For and on behalf of the Underwriters

Date:

THE ASSIGNOR

EXECUTED as a Deed
by VP PLC
acting by its director
in the presence of:

)
)
)
)



Signature of Witness:



Director

Name of Witness: *ANIBEL OBANK*

Address: *Squire Patton Boggs, Leeds, LS1 4AP.*

Occupation: *Trainer.*

The Security Agent

SIGNED for and on behalf of
LLOYDS BANK PLC

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)

THE ASSIGNOR

EXECUTED as a Deed
by **VP PLC**
acting by its director
in the presence of:

)
)
)
)

Signature of Witness:

Director

Name of Witness:

Address:

Occupation:

The Security Agent

SIGNED for and on behalf of
LLOYDS BANK PLC

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