



Registration of a Charge

Company Name: **ROCK & ALLUVIUM LIMITED**

Company Number: **01795468**



XCXUGTKJ

Received for filing in Electronic Format on the: **28/02/2024**

Details of Charge

Date of creation: **13/02/2024**

Charge code: **0179 5468 0006**

Persons entitled: **ABN AMRO ASSET BASED FINANCE N.V.**

Brief description: **THE INSTRUMENT CONTAINS CHARGES (NOT EXPRESSED TO BE FLOATING CHARGES) OVER ALL RIGHTS IN ANY LAND AND INTELLECTUAL PROPERTY BUT NO LAND OR INTELLECTUAL PROPERTY IS SPECIFIED. SEE THE INSTRUMENT FOR MORE DETAILS.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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:

BARRY ROBINSON



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1795468

Charge code: 0179 5468 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th February 2024 and created by ROCK & ALLUVIUM LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th February 2024 .

Given at Companies House, Cardiff on 1st March 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**

Guarantee and Debenture

Dated 13th February 20 24

- (1) **ABN AMRO ASSET BASED FINANCE N.V., UK BRANCH**
as ABN AMRO
- (2) **THE PERSONS LISTED IN SCHEDULE 1** as Chargors

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This Guarantee and Debenture ("Debenture") is dated 13th February 2024 and made between:

- (1) **ABN AMRO ASSET BASED FINANCE N.V., UK BRANCH** registered in England and Wales with UK establishment number BR016670 whose registered office is at 5 Aldermanbury Square, London EC2V 7HR, a branch office of ABN AMRO Asset Based Finance N.V., a company incorporated and registered in the Netherlands (registered number 30099465) whose registered office is at 1010 Beneluxlaan, 3526 Kk Utrecht, The Netherlands ("**ABN AMRO**"); and
- (2) **THE PERSONS** listed in Schedule 1 (*The Chargors*) (each a "**Chargor**" and together the "**Chargors**").

THIS DEED WITNESSES that:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture:

"ABN AMRO Group" means ABN AMRO Bank N.V. and all its associated companies, any direct or indirect subsidiary, any organisation directly or indirectly controlled by ABN AMRO Bank N.V. or any affiliate.

"Administrator" means any administrator appointed under this Debenture to manage the affairs, business and assets of a Chargor.

"Associate" means:

- (a) any person who is an "Associate" as defined in section 1152 of the Companies Act 2006; or;
- (b) a "subsidiary undertaking" or "parent undertaking" within the meaning of section 1162 of the Companies Act 2006.

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Blocked Account" means any bank account listed or referred to in Schedule 2 (*Blocked Accounts*) or any other bank account designated as a 'Blocked Account' by a Chargor and ABN AMRO.

"Debt" means any monetary claim or obligation (including applicable tax, duty or interest) of a third party arising under a Sale Contract, whether present, future or contingent, together with all Related Rights and, where the context permits, shall include part of a Debt.

"Default Rate" means 4% above the base rate of HSBC Bank plc;

"Delegate" means any delegate, agent, attorney or co-trustee appointed by ABN AMRO or a Receiver.

"Discharge Date" has the meaning given to it in Clause 16.1 (*Definitions relating to release of this Security*).

"Enforcement Event" means an Event of Default or the occurrence of any event described in clause 12 of the Master Hire Purchase Agreement.

"Export Debt" means a Debt which is evidenced by an original sales invoice issued by a Chargor and addressed to a debtor domiciled outside of the UK.

"Hire Purchase Agreement" shall have the meaning given to it in the Master Hire Purchase Agreement.

"IA" means the Insolvency Act 1986.

"Intellectual Property" means all patents, utility models, trade and service marks, trade names, domain names, design rights, copyrights, moral rights, topography rights, rights in databases, trade secrets, know-how and other intellectual property, whether or not registered or registrable, and including registrations and applications for registration of any of these and rights to apply for the same, and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these anywhere in the world. In relation to a Chargor, **"its Intellectual Property"** means all Intellectual Property in which it has any rights.

"Investment" means any share, stock, debenture, bond, partnership interest or other security or investment. In relation to a Chargor, **"its Investments"** means all Investments in which it has any rights and all its rights against any nominee or other trustee, fiduciary, custodian or clearing system with respect to any Investments.

"Lease" means any lease, tenancy, licence, sub-lease, sub-licence or other occupational right.

"Losses" means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind.

"LPA" means the Law of Property Act 1925.

"Master Facilities Agreement" means the master facilities agreement entered into between Van Elle Limited, Van Elle Holdings PLC and ABN AMRO dated 1 October 2020 which the Chargor will accede to as an obligor on or about the date of this Debenture.

"Master Hire Purchase Agreement" means the master hire purchase agreement dated 22 July 2014 entered into between ABN AMRO (previously known as ABN AMRO Lease N.V., UK Branch) and Van Elle Limited (company number 02590521).

"Mortgaged Properties" means the Properties and any other land in which a Chargor has any rights from time to time, **"Mortgaged Property"** means any of them and any reference to one or more of the Mortgaged Properties includes all or any part of each relevant Mortgaged Property.

"Non-Vesting Debts" means Non-Vesting Domestic Debts and Non-Vesting Export Debts.

"Non-Vesting Domestic Debts" means any Debts (other than any Export Debts) purportedly assigned to, or held in trust for, ABN AMRO under the Master Facilities Agreement but which are not for any reason validly, absolutely and effectively assigned to, or held in trust for, ABN AMRO.

"Non-Vesting Export Debts" means any Export Debts purportedly assigned to, or held in trust for, ABN AMRO under the Master Facilities Agreement but which are not for any reason validly, absolutely and effectively assigned to, or held in trust for, ABN AMRO.

"Notice of Security" means a notice of assignment and/or charge relating to a Security Asset in a form and substance satisfactory to ABN AMRO.

"Obligor" means each party that has granted security or provided a guarantee in favour of ABN AMRO in connection with the Master Facilities Agreement.

"Occupational Lease" means any Lease to which a Mortgaged Property may at any time be subject.

"Other Debts" means, other than any Non-Vesting Debts, any book or other debt, revenue or claim. In relation to a Chargor, **"its Other Debts"** means all Other Debts in which it has any rights.

"Party" means a party to this Debenture.

"Properties" means the properties brief details of which are set out in Schedule 2 (*Specified Assets*), **"Property"** means any of them and any reference to one or more of the Properties includes all or any part of each relevant Property.

"Receiver" means any receiver, receiver and manager or administrative receiver appointed under this Debenture by ABN AMRO over all or any of the Security Assets whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time.

"Related Rights" means a Chargor's rights relating to a Debt or Sale Contract including:

- (a) its rights as an unpaid seller other than rights relating to ownership of goods but without any obligation on ABN AMRO to complete the Sale Contract;
- (b) documents of title to goods;
- (c) the benefit of insurances;
- (d) all Remittances, Security Interests, bonds, guarantees and indemnities;
- (e) accounting records;
- (f) any document evidencing a Sale Contract or Debt, including any quotation, purchase order, invoice, sales acknowledgment, delivery note, completion certificate, books, accounts, computer and other records, any correspondence and any other documents relating to Debts;
- (g) the ownership of any goods relating to a Debt which are rejected or returned by a debtor; and
- (h) interest.

"Remittances" means any cash, cheques, bills of exchange, negotiable and non-negotiable instruments, letters of credit, orders, drafts, promissory notes, electronic payments and any other form of payment received by ABN AMRO, a Chargor or any agent or representative of a Chargor in payment of a Debt including monies recovered under any credit insurance policy, a refund of the VAT element of a Debt or a dividend payable in respect of a Debt.

"Sale Contract" means a contract between a Chargor and a third party for the sale or hire of goods, or provision of services, or work done or materials supplied under which a Debt arises.

"Secured Liabilities" means all monies from time to time due or owing, and all obligations and other actual or contingent liabilities from time to time incurred, by any Chargor to any Secured Party under the Finance Documents, the Master Hire Purchase Agreement and any Hire Purchase Agreement:

- (a) in whatever currency;
- (b) whether due, owing or incurred alone or jointly with others or as principal, surety or otherwise; and
- (c) including monies and liabilities purchased by or transferred to the relevant Secured Party,

but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (*Covenant to pay*) or the security which would otherwise be constituted by this Debenture to be unlawful or prohibited by any applicable law or regulation.

"Secured Party" means ABN AMRO, a Receiver or any Delegate.

"Security Assets" means the assets from time to time the subject of this Security, **"Security Asset"** means any of them and any reference to one or more of the Security Assets includes all or any part of it or each of them.

"Security Interest" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

1.2 Interpretation

- (a) In this Debenture, unless a contrary indication appears any reference to:
 - (i) **"ABN AMRO"**, the **"Chargors"**, any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under this Debenture;
 - (ii) **"ABN AMRO"** shall be construed as to include any name of style by which ABN AMRO may carry on its business and all and any of its divisions or departments;
 - (iii) **"ABN AMRO may"** shall be construed as to mean ABN AMRO making a determination or decision or undertaking an action that it is permitted to determine, decide or undertake in its sole discretion or opinion without reference to, or consent from, any Chargor or any other person and without notice;
 - (iv) **"assets"** includes present and future properties, revenues, rights and other assets of every description. Any reference to **an asset** includes any proceeds of disposal of all or part of that asset and any other monies paid or payable in respect of that asset and any reference to a **particular type or category of assets** includes any present or future assets of that type or category;
 - (v) any reference to a **"Clause"** or to a **"Schedule"** is to a clause of or a schedule to this Debenture (as the case may be);
 - (vi) a **"disposal"** includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
 - (vii) a **"document"** is a reference to that document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional, extended and/or replacement facilities or an increase in any other amount or rate);
 - (viii) **"including"** means "including without limitation" (with related words being construed accordingly), **"in particular"** means "in particular but without limitation" and other **general words** shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;

- (ix) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - (x) a **provision of law** is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time;
 - (xi) a **"right"** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future. Any reference to a **Chargor's rights** in any document or asset (or any type or category of documents or assets) includes any rights that it holds from time to time in, to, under, in respect of or derived from that document or asset (or any document or asset of that type or in that category);
 - (xii) **"this Security"** means the Security Interests constituted by or pursuant to this Debenture; and
 - (xiii) **this Debenture** includes the Schedules which form part of this Debenture for all purposes.
- (b) Clause and Schedule headings are for ease of reference only.
 - (c) Words implying the singular shall include the plural (and vice versa).
 - (d) Where there is more than one Chargor, reference to a Chargor is a reference to all or any of the Chargors as the context so permits.
 - (e) This document is the deed of each Chargor even if it has not been duly executed by ABN AMRO or has been executed by ABN AMRO but not as a deed.
 - (f) Unless otherwise defined in this Debenture, a term defined in the Master Facilities Agreement has the same meaning when used in this Debenture.
 - (g) The provisions of Clause 22 to Schedule 1 (*Notices*) of the Master Facilities Agreement apply to this Debenture as if set out in full in this Debenture except that reference to "this Agreement" shall be construed as references to this Debenture.

1.3 Disposition of land

The terms of the other Finance Documents are incorporated into this Debenture to the extent necessary for any purported disposition of land contained in this Debenture to be valid in accordance with s2(1) Law of Property (Miscellaneous Provisions) Act 1989.

1.4 Joint and several

Where there is more than one Chargor, each representation, warranty, covenant and other obligation given or entered into by the Chargors in or pursuant to this Debenture is given or entered into by them jointly and severally. Each Chargor shall be bound by this Debenture even if any person who was intended to execute it or be bound by it as a Chargor has not duly executed or become bound by it.

2. PAYMENT OF THE SECURED LIABILITIES

2.1 Covenant to pay

Each Chargor covenants with ABN AMRO to pay and discharge, or procure the payment or discharge of, each of the Secured Liabilities immediately on demand.

2.2 Interest

If a Chargor fails to pay any amount payable by it under Clause 2.1 (*Covenant to pay*) on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment). This interest shall accrue at the rate and on the terms from time to time applicable under the relevant document (or in the absence of an applicable rate and applicable terms, shall be calculated and accrue default interest at the Default Rate) and shall be payable on demand and, to the extent not paid, shall be compounded monthly in arrears.

3. CREATION OF SECURITY INTERESTS

3.1 General provisions regarding Security Interests

- (a) Each of the charges and assignments created under this Debenture:

- (i) secures the payment and discharge of the Secured Liabilities; and
 - (ii) is made with full title guarantee.
- (b) Each assignment under this Debenture is subject to a proviso for re-assignment on redemption in accordance with Clause 16.2 (*Release of this Security*).
- (c) If, to the extent and for so long as any charge or assignment under this Debenture fails to take effect over a Chargor's rights in any asset because an Authorisation necessary for it to do so has not been obtained or made, the relevant Chargor shall use its reasonable endeavours to obtain or make the Authorisation as soon as possible and until it is obtained or made, hold the relevant rights on trust for ABN AMRO.

3.2 Land

- (a) Each Chargor charges:
- (i) by way of first legal mortgage, all estates or interests owned by it at the date of this Debenture in the Properties;
 - (ii) by way of first legal mortgage, all estates or interests owned by it at the date of this Debenture in any other land in England and Wales; and
 - (iii) by way of first fixed charge, all of its other rights in any land.
- (b) In this Debenture, unless a contrary indication appears any reference to the Properties or any other land includes all buildings, plant, machinery and other fixtures and fittings from time to time on that land.
- (c) Each Chargor assigns absolutely all of its rights in any Occupational Lease, including rights to rental income and other payments, and any guarantee or other right relating to an Occupational Lease.

3.3 Plant & machinery and equipment

- (a) Each Chargor charges by way of first fixed charge all of its rights:
- (i) in all plant and machinery brief details of which are set out in Schedule 2 (*Specified Assets*); and
 - (ii) in any other plant & machinery.
- (b) In this Debenture, unless a contrary indication appears any reference to any plant and machinery includes:
- (i) all spare parts, replacements, modifications for or to the plant and machinery;
 - (ii) the benefit of all obligations and warranties given by any manufacturer or supplier of the plant and machinery to or in favour of the Chargor; and
 - (iii) the benefit of all maintenance agreements relating to the plant and machinery entered into between the Chargor and any third party,
- but excludes any plant, machinery or equipment which forms part of the Chargor's stock-in-trade or work in progress.

3.4 Debts

- (a) Each Chargor charges by way of first fixed charge all of its rights:
- (i) in any Non-Vesting Domestic Debts;
 - (ii) in any Non-Vesting Export Debts; and
 - (iii) in its Other Debts.
- (b) In this Debenture, unless a contrary indication appears any reference to:
- (i) a Non-Vesting Debt includes the benefit of any Related Rights or other right in relation to that Non-Vesting Debt; and
 - (ii) an Other Debt includes the benefit of any Security Interest, guarantee or other right in relation to that Other Debt.

3.5 Goodwill and uncalled capital

Each Chargor charges by way of first fixed charge all of its rights:

- (a) in any of its goodwill and uncalled capital from time to time; and
- (b) to future calls in respect of capital.

3.6 Investments

- (a) Each Chargor charges by way of first fixed charge all of its rights in its Investments.
- (b) In this Debenture, unless a contrary indication appears any reference to an Investment includes:
 - (i) any associated dividends and interest and any other payments and distributions; and
 - (ii) any right, money or assets accruing or offered at any time in respect of the Investment by way of redemption, exchange, bonus or otherwise.

3.7 Intellectual Property

Each Chargor charges by way of first fixed charge all of its rights in its Intellectual Property.

3.8 Insurances

Each Chargor assigns absolutely all of its rights in its Insurances.

3.9 Bank accounts

Each Chargor charges by way of first fixed charge all of its rights:

- (a) in any credit balances on the Blocked Accounts and the indebtedness represented by them; and
- (b) in any credit balances on any other bank accounts and the indebtedness represented by them.

3.10 Documents and licences

Each Chargor charges by way of first fixed charge:

- (a) all licences, consents and other Authorisations held in connection with its business or the use of any Security Assets and all of its rights in connection with them; and
- (b) all of its rights in any security interests, guarantees, indemnities, covenants for title, agreements, reports and other documents including those relating to all or any part of the Security Assets which are not effectively assigned under Clause 3.8.

3.11 Assignment of documents

- (a) Each Chargor assigns absolutely all of its rights in any security interests, guarantees, indemnities, covenants for title, agreements, reports and other documents including those relating to all or any part of the Security Assets.
- (b) For the avoidance of doubt, each Chargor will remain at all times liable in respect of all of its obligations under each document assigned under Clause 3.11(a).

3.12 Floating charge

- (a) Each Chargor charges by way of first floating charge the whole of its undertaking and other assets.
- (b) Schedule B1, Paragraph 14 IA shall apply to the floating charge created by each Chargor in this Debenture.
- (c) ABN AMRO may at any time by notice to a Chargor convert the floating charge created by that Chargor in this Debenture into a fixed charge with immediate effect as regards any Security Asset specified in the notice if:
 - (i) ABN AMRO considers that it may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy;
 - (ii) ABN AMRO considers that it is necessary to protect the priority of this Security; or

- (iii) a Chargor breaches Clause 6 (*Negative pledge and disposals*) or attempts to do so.
- (d) The floating charge created by a Chargor in this Debenture shall automatically be converted into a fixed charge with immediate effect as regards all assets subject to it if:
 - (i) that Chargor breaches Clause 6 (*Negative pledge and disposals*) or attempts to do so;
 - (ii) any person levies any distress, execution, sequestration or other process against any of those assets;
 - (iii) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of a Chargor; or
 - (iv) an application is made to court, or an order is made, for the appointment of an administrator, or a notice of intention to appoint an administrator is given or an administrator is appointed in respect of a Chargor.
- (e) Nothing in this Clause 3.12:
 - (i) shall affect the crystallisation of the floating charge created by a Chargor under applicable law and regulation; or
 - (ii) shall permit the floating charge created by a Chargor to be crystallised solely as a result of the obtaining of, or of anything done with a view to obtaining, a moratorium under s1A IA.

4. PERFECTION OF SECURITY AND FURTHER ASSURANCE

4.1 Notice of Security

- (a) Each Chargor shall deliver a Notice of Security (with a copy to ABN AMRO), duly completed immediately upon request by ABN AMRO to any person or bank with which it has rights in respect of any asset which that Chargor has granted a Security Interest in this Debenture.
- (b) Each Chargor shall use all reasonable endeavours to procure that each addressee of a Notice of Security promptly acknowledges that Notice of Security in the form attached to that Notice of Security (or in such other form as ABN AMRO may approve).

4.2 Further assurance

- (a) Each Chargor shall promptly and at its own expense take such action as ABN AMRO or any Receiver may reasonably require:
 - (i) to improve, preserve, perfect or protect the security created (or intended to be created) by this Debenture or the priority of it; or
 - (ii) to facilitate the realisation or enforcement of any Security Asset or the exercise any of the rights of ABN AMRO in relation to the same.
- (b) The action required under Clause 4.2(a) may include the execution of any Security Interest, assignment or transfer over or of any asset, any notice of this Security or any other document.

5. GUARANTEE AND INDEMNITY

5.1 Guarantee and indemnity

Each Chargor irrevocably and unconditionally jointly and severally:

- (a) guarantees to ABN AMRO punctual performance by each other Chargor and each Obligor of all that Chargor's and Obligor's obligations under the Finance Documents;
- (b) undertakes with ABN AMRO that whenever another Chargor or Obligor does not pay any amount when due under or in connection with any Finance Document, that Chargor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with ABN AMRO that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify ABN AMRO immediately on demand against any cost, loss or liability it incurs as a result of a Chargor or an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by a Chargor under

this indemnity will not exceed the amount it would have had to pay under this Clause 5 if the amount claimed had been recoverable on the basis of a guarantee.

5.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Chargor or any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

5.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor, any Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under this Clause 5 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

5.4 Waiver of defences

The obligations of each Chargor under this Clause 5 will not be affected by an act, omission, matter or thing which, but for this Clause 5, would reduce, release or prejudice any of its obligations under this Clause 5 (without limitation and whether or not known to it or ABN AMRO) including:

- (a) any time, waiver or consent granted to, or composition with, any Chargor, any Obligor or other person;
- (b) the release of any other Chargor, any Obligor 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 over assets of, any Chargor, 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;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Chargor, an Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

5.5 Guarantor intent

Without prejudice to the generality of Clause 5.4 (*Waiver of defences*), each Chargor expressly confirms that it intends that this guarantee 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: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

5.6 Immediate recourse

Each Chargor waives any right it may have of first requiring ABN AMRO (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Clause 5. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

5.7 Appropriations

Until all amounts which may be or become payable by the Chargors and the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, ABN AMRO (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by ABN AMRO (or any trustee or agent on its behalf) 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 no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Clause 5.

5.8 Deferral of Chargors' rights

Until all amounts which may be or become payable by the Chargors and the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless ABN AMRO otherwise directs, no Chargor will 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 Clause 5:

- (a) to be indemnified by a Chargor or an Obligor;
- (b) to claim any contribution from any other guarantor of any Chargor's obligations or Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of ABN AMRO under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by ABN AMRO;
- (d) to bring legal or other proceedings for an order requiring any Chargor or any Obligor to make any payment, or perform any obligation, in respect of which any Chargor has given a guarantee, undertaking or indemnity under Clause 5.1 (*Guarantee and indemnity*);
- (e) to exercise any right of set-off against any Chargor or any Obligor; and/or
- (f) to claim or prove as a creditor of any Chargor or any Obligor in competition with ABN AMRO.

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to ABN AMRO by the Chargors and the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to ABN AMRO or as ABN AMRO may direct in repayment of the Secured Liabilities.

5.9 Release of Chargors' right of contribution

If any Chargor (a "**Retiring Chargor**") ceases to be a Chargor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Retiring Chargor then on the date such Retiring Chargor ceases to be a Chargor:

- (a) that Retiring Chargor is released by each other Chargor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Chargor arising by reason of the performance by any other Chargor of its obligations under the Finance Documents; and
- (b) each other Chargor waives any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of ABN AMRO under any Finance Document or of any other security taken pursuant to, or in connection with, any Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Chargor.

5.10 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by ABN AMRO.

6. NEGATIVE PLEDGE AND DISPOSALS

6.1 Negative pledge

Each Chargor undertakes that it will not create or permit to subsist any Security Interest over any of its Security Assets or grant any guarantees to any person other than in favour of ABN AMRO or with ABN AMRO's prior written consent.

6.2 No disposals

- (a) Each Chargor undertakes that it will not dispose of (or agree to dispose of) any Security Asset except as permitted under the Master Facilities Agreement.
- (b) Each Chargor undertakes that it will not transfer in whole or in part any of its business to any other person except as permitted under the Master Facilities Agreement.

7. OTHER COVENANTS OF GENERAL APPLICATION

7.1 Compliance with obligations

Each Chargor shall manage its Security Assets in a proper and efficient manner. In particular, it shall:

- (a) keep its Security Assets in good and substantial repair and working order;
- (b) obtain, maintain and comply with the terms of any Authorisation required in connection with any Security Asset and all laws concerning the Security Assets;
- (c) not without the prior written consent of the ABN AMRO or as otherwise permitted under the Finance Documents, make, permit or allow any alterations or additions of a material nature to any of its Security Assets or carry out any works of demolition on them;
- (d) not do, permit or allow to be done anything which might in any way depreciate, jeopardise or otherwise prejudice the security held by ABN AMRO or the value of any of that Chargor's Security Assets;
- (e) punctually pay all outgoings relating to the Security Assets and produce receipts therefor to ABN AMRO on request;
- (f) insure and keep insured those parts of Security Assets that are of an insurable nature with such insurer and against such risks as ABN AMRO shall reasonably require to their full insurable value and, if requested by ABN AMRO, ensure that ABN AMRO is co-insured or joint insured and that its interest is noted as first loss payee and/or sole loss payee (as ABN AMRO may specify);
- (g) pay all premiums in respect of any insurance policies when due and promptly upon becoming aware, notify ABN AMRO if any of its insurance policies lapse or are cancelled; and
- (h) as soon as reasonably practicable inform ABN AMRO of anything which occurs which might have the effect referred to in Clause 7.1(d).

7.2 Registration at Land Registry

- (a) The Chargors shall do all things requested by ABN AMRO to facilitate the registration of this Security against any Land Registry title comprised in the Mortgaged Properties from time to time. In particular, each Chargor shall
 - (i) apply to the Chief Land Registrar for a restriction to be entered on each such title in the following terms: "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 Debenture dated [●] in favour of [●] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or conveyancer"; and
 - (ii) if ABN AMRO so requests, certify that the security over the Mortgaged Properties created by this Debenture does not contravene any of the provisions of its constitutional documents.
- (b) No Chargor shall permit any other person to be registered at the Land Registry as proprietor of any of the Mortgaged Properties (or of any interest in any of the Mortgaged Properties).
- (c) Except as permitted under the Master Facilities Agreement, no Chargor shall create or permit to arise or subsist in or over any of the Mortgaged Properties any interest which falls within any of the paragraphs of

7.3 Deposit of Mortgaged Property title documents

- (a) Each Chargor shall effect or procure the deposit with (or to the order of) ABN AMRO of all title deeds and documents (including all local land charges, land charges, Land Registry search certificates and planning and other statutory consents) relating to the Mortgaged Properties.
- (b) On completion of the registration of this Debenture against any Land Registry title comprised in the Mortgaged Properties, the relevant Chargor shall supply ABN AMRO with a copy of the title information document for that title.

7.4 Bank accounts

- (a) No Chargor shall close, open, maintain or vary the terms applicable to any Blocked Account without the prior written consent of ABN AMRO.
- (b) No Chargor may make any withdrawal from a Blocked Account except with the prior written consent of ABN AMRO.
- (c) In respect of any bank account which is not a Blocked Account:
 - (i) prior to the occurrence of an Enforcement Event that is continuing a Chargor has the right to receive, withdraw or otherwise transfer any credit balance from time to time on any such bank account in the ordinary course of its business; and
 - (ii) after the occurrence of an Enforcement Event that is continuing or the crystallisation of any floating charge over any such bank account, no Chargor shall withdraw, attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any such bank account without the prior written consent of ABN AMRO and ABN AMRO shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer.
- (d) If any time deposit matures on any bank account of a Chargor with ABN AMRO after this Security has become enforceable, the time deposit shall automatically be renewed for a further period of a duration determined by ABN AMRO in its discretion. This is without prejudice to Clauses 7.4(b) and 7.4(c)(ii) and any set-off rights of ABN AMRO.

7.5 Non-Vesting Debts and Other Debts

- (a) Each relevant Chargor shall only deal with the Non-Vesting Debts, their Related Rights and the proceeds thereof as if they had been effectively assigned to ABN AMRO in accordance with the Master Facilities Agreement.
- (b) Each Chargor shall pay into such account as ABN AMRO may require all moneys which it may receive in respect of the Other Debts and pay or otherwise deal with such moneys standing in such account only in accordance with any directions from time to time given in writing by ABN AMRO.
- (c) Each Chargor shall deal with such Other Debts in accordance with any directions from time to time given in writing by ABN AMRO and, for the avoidance of doubt, shall not sell, assign, factor or discount any Other Debt in any way).

7.6 Plant and machinery

Upon request by ABN AMRO the relevant Chargor shall, at its own cost, affix (and ensure there appears at all times thereafter) a clearly visible and legible notice to such plant and machinery as specified by ABN AMRO, in wording approved by ABN AMRO stating that such Plant & Machinery is charged to ABN AMRO and may not be sold, removed or disposed of or dealt with in any other way without the prior written consent of ABN AMRO.

8. ENFORCEMENT – GENERAL PROVISIONS

8.1 Enforcement

- (a) On or at any time after the occurrence an Enforcement Event that is continuing, this Security shall become immediately enforceable and ABN AMRO may enforce this Security, and its rights under this Debenture, in the manner and on the terms it thinks fit.
- (b) In particular, it may without further notice exercise in relation to the Security Assets:

- (i) the power of sale and all other powers conferred on mortgagees by the LPA or otherwise by law, in each case as extended or otherwise amended by this Debenture;
- (ii) to the extent that Clause 9 (*Right of appropriation*) applies, the power to appropriate the relevant Security Assets in accordance with Clause 9.2 (*Exercise of right of appropriation*); and
- (iii) (whether or not it has appointed a Receiver) any or all of the rights which are conferred by this Debenture (whether expressly or by implication) on a Receiver.

8.2 LPA provisions

- (a) The Secured Liabilities shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 LPA immediately on the execution of this Debenture.
- (b) ABN AMRO and any Receiver is entitled to all of the privileges, immunities and other rights conferred on mortgagees and receivers respectively under the LPA.
- (c) s93(1) LPA (restriction on the consolidation of mortgages), s103 LPA (restricting the power of sale), ss105, 107(2), 109(6) and 109(8) LPA (application of proceeds of sale) and s109(1) LPA (restricting the power to appoint a receiver) shall not apply to this Security.

8.3 Protection of third parties

- (a) No purchaser, mortgagee or other person dealing with a Secured Party shall:
 - (i) be bound to enquire whether its entitlement to exercise any of its rights has arisen or become exercisable or whether any Secured Liabilities remain outstanding; or
 - (ii) be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Secured Party.
- (b) All of the protection to purchasers contained in ss104 and 107(1) LPA and s42(3) IA shall apply to any person purchasing from or dealing with a Secured Party as if the Secured Liabilities had become due and the statutory powers of sale and of appointing a Receiver in relation to the Security Assets had arisen on the date of this Debenture.

8.4 Delegation

- (a) ABN AMRO and (to the extent his or her appointment so permits) a Receiver (the "**Appointor**") may delegate to any person or persons all or any of the rights which are exercisable by it under this Debenture. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Appointor may think fit.
- (b) A delegation under Clause 8.4(a) shall not preclude the subsequent exercise of the relevant rights by the Appointor nor preclude the Appointor from making a subsequent delegation of them to another person or from revoking that delegation.
- (c) Neither ABN AMRO nor any Receiver shall be liable or responsible to a Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

8.5 No liability

Neither a Secured Party nor any Administrator shall be liable as a mortgagee in possession or otherwise to account in relation to all or any part of the Security Assets for any loss on realisation or for any other action, default or omission for which a mortgagee in possession might but for this Clause 8.5 be liable.

9. RIGHT OF APPROPRIATION

9.1 Application of right of appropriation

This Clause 9 applies to the extent the Security Assets constitute "financial collateral" and this Debenture constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003).

9.2 Exercise of right of appropriation

- (a) If and to the extent that this Clause 9 applies, ABN AMRO may appropriate the Security Assets in or towards discharge of the Secured Liabilities in such order as ABN AMRO may determine.

- (b) If ABN AMRO exercises its right of appropriation then it shall for these purposes value:
 - (i) any relevant Blocked Account or other bank account at the amount standing to the credit of that account, together with any accrued interest not credited to the account, at the time of the appropriation; and
 - (ii) any other relevant Security Asset by reference to an independent valuation or other procedure determined by ABN AMRO, acting reasonably, at the time of the appropriation.

10. RECEIVERS

10.1 Appointment of Receiver

- (a) Subject to the remainder of this Clause 10.1, ABN AMRO may appoint one or (at the same or different times) more persons as a receiver of all or any part of the Security Assets if this Security has become enforceable or the relevant Chargor so requests in writing at any time.
- (b) No appointment may be made pursuant to Clause 10.1:
 - (i) solely as a result of the obtaining of, or with a view to obtaining, a moratorium under s1A IA; or
 - (ii) of an administrative receiver if that appointment would contravene s72A IA.
- (c) If at any time two or more persons hold office as Receivers, each of those Receivers shall (subject to the terms of his or her appointment) be entitled to exercise individually all of the rights conferred on Receivers under this Debenture to the exclusion of the other or others.

10.2 Remuneration

ABN AMRO may fix the remuneration of any Receiver from time to time, without being limited by the maximum rate specified in s109(6) LPA.

10.3 Removal and replacement

ABN AMRO may:

- (a) subject to obtaining a court order if required by law, remove any Receiver by written notice; and
- (b) replace (by appointment pursuant to Clause 10.1) any Receiver whose appointment has terminated.

10.4 Agent of the relevant Chargor

- (a) Any Receiver appointed under this Debenture whether acting solely or jointly shall be deemed to be the agent of the relevant Chargor and to be in the same position as a receiver appointed under the LPA.
- (b) The relevant Chargor shall be solely responsible for the acts, omissions, defaults, losses and misconduct of any Receiver and for his or her remuneration. ABN AMRO shall not be in any way liable or responsible either to the relevant Chargor or to any other person for any Receiver.

11. POWERS OF SECURITY ENFORCEMENT PARTIES

11.1 General

- (a) A Receiver has:
 - (i) all of the rights set out below in this Clause 11;
 - (ii) all of the rights granted by the LPA to any receiver or mortgagor or mortgagee in possession; and
 - (iii) whether or not it is an administrative receiver, all of the rights granted by the IA to any administrative receiver,in each case as such rights are varied and extended by this Debenture.
- (b) ABN AMRO has after this Security has become enforceable the rights referred to in Clause 11.1(a), whether or not it has appointed a Receiver.
- (c) A Delegate has the rights referred to in Clause 11.1(a) to the extent provided in its, his or her appointment.

- (d) Any reference in this Clause 11 to any Security Assets includes, in the case of a Receiver or Delegate, only those Security Assets over or in respect of which it, he or she has been appointed.
- (e) A Secured Party may exercise its, his or her rights under this Clause 11 in such manner and on such terms as it, he or she thinks fit.

11.2 Collection, leasing and disposal of Security Assets

- (a) The right to enter into, take possession of, give up possession of, get in and collect any Security Asset.
- (b) The right to grant, vary, surrender or accept the surrender of Leases, easements or other rights over or in respect of Security Assets on such terms as the Secured Party may think fit, without the need to comply with ss99 and 100 LPA.
- (c) The right to sell or otherwise dispose of any Security Asset on any terms and for any consideration as the Secured Party may think fit. This consideration may include cash, debentures, obligations, shares or other security and may be payable in a lump sum or instalments.
- (d) The right to sever any plant, machinery or other fixtures from the premises to which they are attached and the right to dispose of them separately in accordance with Clause 11.2(c).
- (e) The right, in connection with or to facilitate any disposal, to release or discharge, whether or not for any consideration, any Debts comprised in the Security Assets.
- (f) The right to give a valid receipt for any money and execute any discharge, assurance or other document which may be proper or desirable to realise any Security Asset.

11.3 Upkeep of Security Assets

- (a) The right to repair, decorate, furnish, maintain, alter, improve, replace, renew or add to the Security Assets.
- (b) The right to develop any Security Asset and for that purpose to apply for any Authorisations, enter into any documents and carry out any works.
- (c) The right to insure any Security Assets.

11.4 Carrying on business

- (a) The right to carry on any business of a Chargor.
- (b) The right to appoint or dismiss officers, employees, agents, contractors, advisors and others.
- (c) The right to purchase, lease or otherwise acquire any assets.
- (d) The right to borrow or otherwise raise money either unsecured or on the security of the Security Assets (whether ranking in priority to, *pari passu* with or behind this Security).
- (e) The right to lend money or advance credit to any customer of a Chargor.

11.5 Contracts and proceedings

- (a) The right to perform, repudiate, terminate, amend or enter into any contract or other document relating to any Security Asset.
- (b) The right to bring, prosecute, defend, enforce and discontinue any action, suit, arbitration or other proceedings relating to any Security Assets.
- (c) The right to pursue, settle, arrange, compromise or submit to arbitration any claim, account, dispute or demand relating to, or to make any VAT election in respect of, any Security Asset.

11.6 Other rights

- (a) The right to form a subsidiary of a Chargor and the right to lease, license or transfer any Security Asset to it.
- (b) The right to do any other act or thing which the Secured Party may consider desirable or necessary to protect, preserve or realise any Security Asset or incidental or conducive to any rights conferred on the Secured Party under or by virtue of this Debenture or by law.

- (c) The right to exercise and do in relation to any Security Asset all the rights and things which the Secured Party would be capable of exercising or doing if it, he or she were the absolute beneficial owner of that Security Asset.
- (d) The right to use the name of a Chargor to exercise any of the rights referred to in this Clause 11.

12. APPOINTMENT OF ADMINISTRATOR

12.1 Appointment of Administrator

- (a) ABN AMRO may without notice appoint any one or more persons to be an administrator of a Chargor pursuant to Schedule B1, Paragraph 14 IA at any time after this Security has become enforceable.
- (b) Clause 12.1(a) shall not apply to a Chargor if Schedule B1, Paragraph 14 IA does not permit an administrator of that Chargor to be appointed.
- (c) Any appointment under Clause 12.1(a) shall be made in the prescribed form by ABN AMRO.

12.2 Replacement of an Administrator

ABN AMRO may apply to the court for the termination of the appointment of any Administrator and/or the appointment of a replacement for any Administrator whose appointment ends for any reason.

13. DEALING WITH PROCEEDS

13.1 Application of proceeds of enforcement, etc

- (a) Any monies received by ABN AMRO or any Receiver under this Debenture after this Security has become enforceable shall be applied in the following order of priority:
 - (i) in or towards payment of, or provision for, all amounts due to or Losses incurred by any Secured Party under or in connection with this Debenture and all remuneration due to any Receiver under or in connection with this Debenture;
 - (ii) in or towards discharge of the Secured Liabilities in such order as ABN AMRO in its absolute discretion thinks fit; and
 - (iii) if no Chargor is under any further actual or contingent liability to the Secured Parties, in payment of the surplus (if any) to the person or persons entitled to it.
- (b) Subject to Clause 13.1(a), until the Discharge Date ABN AMRO or any Receiver may:
 - (i) refrain from applying or enforcing any other monies, Security Interests or other rights held or received by it in respect of the Secured Liabilities or apply and enforce them in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and
 - (ii) hold in an interest-bearing suspense account any monies received from a Chargor or on account of the Secured Liabilities.
- (c) Subject to Clause 13.1(a) ABN AMRO may recover any shortfall from the Chargors.

13.2 Security accounts

Until the Discharge Date (and whether or not an Event of Default has occurred) ABN AMRO may, in its discretion, apply any part of the monies standing to the credit of any Blocked Account and any bank account referred to in Clause 3.9 (*Bank accounts*) in accordance with Clause 13.1.

13.3 Insurance proceeds

- (a) Subject to Clause 12.1(a), all monies received by a Chargor by virtue of any Insurance on the Security Assets, whether or not effected under this Debenture:
 - (i) shall be part of the Security Assets; and
 - (ii) shall (subject to any rights of third parties arising under any applicable law and regulation or under any Occupational Lease) be paid to ABN AMRO (and until so paid shall be held on trust for ABN AMRO).

This Clause 13.3(a) shall apply whether the event pursuant to which those monies became payable occurred before, on or after the date of this Debenture.

- (b) Subject to Clause 12.1(a), any monies so paid to ABN AMRO (or otherwise received by any Secured Party by virtue of any insurance on the Security Assets) shall be applied at the discretion of ABN AMRO either in reduction of the Secured Liabilities or in or towards making good the loss or damage in respect of which they became payable. Each Chargor waives any right it may have to require that those monies be applied in or towards making good the loss or damage in respect of which they became payable.

14. GENERAL SECURITY PROVISIONS

14.1 Continuing security

This Security is, and shall remain in force as, a continuing security for the Secured Liabilities, regardless of any intermediate payment or discharge, unless and until it is released and discharged in writing by ABN AMRO.

14.2 Additional security

This Security is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of any Secured Party.

14.3 Waiver of defences

The obligations of each Chargor under this Debenture will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 14.3, would reduce, release or prejudice any of its obligations under this Debenture, including (whether or not known to it or any Secured Party):

- (a) any time, waiver or consent granted to, or composition with, any person;
- (b) the release of any person under the terms of any composition or arrangement with any creditor;
- (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 the assets of, a Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any document or any failure to take, or failure to realise the full value of, any Security Interest;
- (d) any supplement, extension, restatement, other amendment or novation or replacement of any security or other document, however fundamental that amendment, novation and replacement may be and whether or not more onerous, including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility or other Security Interest or other document;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or constitution or status of any person;
- (f) any unenforceability, illegality or invalidity of any of the Secured Liabilities or any other obligation of any person or any other document or Security Interest; or
- (g) any insolvency or similar proceedings.

14.4 Non-competition

- (a) Until the Discharge Date, no Chargor shall exercise any rights it may have by reason of its being a party to this Debenture or paying (or having any liability to pay) any amount under it:
 - (i) to claim any indemnity or contribution from another Chargor;
 - (ii) to take (by way of subrogation or otherwise) the benefit of any right of any Secured Party; or
 - (iii) to claim or prove as a creditor of any person in competition with any Secured Party.
- (b) Each Chargor shall hold any payment or other benefit received by it contrary to this Clause 14.4 on trust for ABN AMRO and promptly pay or transfer the same to ABN AMRO for application in accordance with Clause 13.1 (*Application of proceeds of enforcement, etc*).

14.5 Immediate recourse

Each Chargor waives any right it may have of first requiring ABN AMRO to enforce any Security Interest or other right, or claim payment from or proceed against any other person, before claiming from it under this Debenture.

This waiver applies irrespective of any applicable law and regulation or any provision of any other document between ABN AMRO and a Chargor to the contrary.

14.6 Redemption of prior Security Interests

- (a) ABN AMRO may at any time:
 - (i) redeem, or procure the transfer to itself of, any prior Security Interest over any Security Assets; or
 - (ii) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall in the absence of manifest error be conclusive and binding on the relevant Chargor.
- (b) All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption, transfer or settlement under Clause 14.6(a) shall be paid by the Chargors to ABN AMRO on demand, in each case together with default interest calculated in the manner referred to in Clause 2.2 (*Interest*).

14.7 Subsequent Security Interests

- (a) At any time following:
 - (i) the receipt by ABN AMRO of notice (either actual or constructive) of any subsequent Security Interest affecting any Security Assets;
 - (ii) any insolvency or similar proceedings occurring in relation to a Chargor; or
 - (iii) any disposal of any Security Assets in breach of Clause 6.2 (*No disposals*),

ABN AMRO may open a new account or accounts in the name of the relevant Chargor (whether or not it permits any existing account to continue). If ABN AMRO does not open such a new account, it shall nevertheless be deemed to have done so at the time of receipt of the notice, the commencement of the insolvency or similar proceedings or the disposal.

- (b) From that time all payments received by ABN AMRO for the account of the relevant Chargor shall be credited or treated as having been credited to the new account (or deemed new account) and shall not operate to reduce the amount secured by this Security at the time of receipt of the notice, the commencement of the insolvency or similar proceedings or the disposal.

15. POWER OF ATTORNEY

- (a) Each Chargor irrevocably and by way of security appoints each Secured Party severally to be its attorney, in its name or otherwise, on its behalf and as its act and deed to execute, deliver and perfect any document and do any other act or thing which may be required or which the attorney may consider necessary:
 - (i) to carry out any obligation imposed on that Chargor by this Debenture which, prior to an Enforcement Event which is continuing, such Chargor has not undertaken within 5 Business Days of request by a Secured Party; or
 - (ii) following an Enforcement Event which is continuing:
 - (A) to carry out any obligation imposed on that Chargor by this Debenture; or
 - (B) in the exercise of any rights conferred on any Secured Party by this Debenture or by applicable law and regulation.
- (b) Each Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of this power of attorney.

16. RELEASE OF SECURITY

16.1 Definitions relating to release of this Security

- (a) In this Debenture, "**Discharge Date**" means the date on which ABN AMRO determines that all of the Secured Liabilities have been unconditionally and irrevocably paid or discharged in full. For this purpose, a Secured Liability will not be considered to have been irrevocably paid or discharged if ABN AMRO, acting reasonably, considers that any payment made in respect of it is capable of being avoided.

(b) In this Clause 16:

(i) **"avoided"** means avoided, restored or adjusted in whole or part under any law relating to insolvency (and **"avoidance"** shall be construed accordingly); and

(ii) **"settlement"** means a release, settlement, discharge, re-assignment or arrangement.

16.2 Release of this Security

(a) If a Chargor so requests on or following the Discharge Date, ABN AMRO shall as soon as reasonably practicable release and discharge this Security and re-assign the assets assigned to ABN AMRO under this Debenture without recourse, representation or warranty and subject to the rights of any person having prior rights over those assets.

(b) Any settlement made by ABN AMRO on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided.

(c) If any avoidance occurs as referred to in Clause 16.2(b) (including by reason of a concession or compromise referred to in Clause 16.2(d)), then the settlement given by ABN AMRO shall have no effect and shall not prejudice the right of ABN AMRO to enforce this Security in respect of the Secured Liabilities. As between the Chargors and ABN AMRO, this Security shall (notwithstanding the settlement) be deemed to have remained at all times in effect and held by ABN AMRO as security for the Secured Liabilities.

(d) ABN AMRO may concede or compromise any claim that an assurance, security or payment is liable to avoidance.

17. INDEMNITY

17.1 Indemnity to the Secured Parties

The Chargors will, on demand, indemnify each Secured Party against all Losses sustained or incurred under this Debenture by an Secured Party for any reason including costs, expenses and taxes in connection with a failure by any Chargor to comply with any of its obligations under this Debenture or the enforcement or preservation of rights under this Debenture.

17.2 Lien on Security

Each Secured Party may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Assets in respect of, and pay and retain, all sums necessary to give effect to the indemnity in Clause 17.1 and shall have a lien on this Security and the proceeds of the enforcement of this Security for all moneys payable to it.

18. SET-OFF

ABN AMRO may set-off, debit, transfer or apply any present or future obligation due from a Chargor to a Secured Party under this Debenture against any present or future obligation owed by that Secured Party to the relevant Chargor under this Debenture, without prior notice, both before and after demand. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

19. CHANGES TO THE PARTIES

(a) ABN AMRO may assign or transfer any of its rights and obligations under this Debenture in accordance with the terms of the Master Facilities Agreement.

(b) No Chargor may assign or transfer any of its rights or obligations or sub-contract the performance of any of its duties under this Debenture without the prior written consent of ABN AMRO.

20. CALCULATIONS AND CERTIFICATES

20.1 Accounts

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

20.2 Certificates and determinations

Any certification or determination of ABN AMRO as to any matter provided for in this Debenture is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

20.3 Day count convention

Any interest, commission or fee accruing under this Debenture will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days or, in any case where the practice in the London interbank market differs, in accordance with that market practice.

21. PARTIAL INVALIDITY

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

22. REMEDIES AND WAIVERS

- (a) A waiver of any right or remedy by ABN AMRO under this Debenture or by law, or any consent given under this Debenture by ABN AMRO, is only effective if given in writing and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent ABN AMRO from subsequently relying on the relevant provision.
- (b) No failure to exercise, nor any delay in exercising, on the part of ABN AMRO, any right or remedy under this Debenture 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.
- (c) The rights and remedies provided in this Debenture are cumulative and not exclusive of any rights or remedies provided by law.

23. AMENDMENTS

Any term of this Debenture may be amended only with the written consent of ABN AMRO and the Chargors and any such amendment or waiver will be binding on all Parties.

24. ENTIRE AGREEMENT

This Debenture constitutes the entire agreement between ABN AMRO and the Chargors and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

25. CONFIDENTIALITY AND DISCLOSURE

ABN AMRO will not disclose confidential information (being information which is confidential in nature and not public information or identified as non-confidential information) relating to any Chargor to any third party without that Chargor's consent unless such disclosure is to:

- (a) any member of the ABN AMRO Group or to any officer, director or employee of the ABN AMRO Group;
- (b) any professional advisors, auditors, partners, manager, insurers, insurance brokers or reinsurers of the ABN AMRO Group;
- (c) any prospective assignee, transferee, participant, security trustee, agent or arranger under this Debenture and any of their Associates;
- (d) any third party service providers including industry associations and their members or ombudsmen and any agents, delegates, nominees, attorneys, trustees or custodians acting on ABN AMRO's or any member of the ABN AMRO Group's behalf; or
- (e) a third party that is a court of competent jurisdiction, a governmental, banking, taxation, supervisory, industry association or other similar body or a stock exchange or the information is required or requested to be disclosed pursuant to any applicable law or regulation or in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes,

and ABN AMRO will use reasonable endeavours to advise such third parties of the confidential nature of such information.

26. CODE OF GOOD PRACTICE

ABN AMRO is a member of the UK Finance ("UK Finance"). It subscribes to UK Finance's Code (of good practice) which sets out a number of important principles which ABN AMRO will adopt in its relationship with the Chargors. The Code can be found at <http://www.abfa.org.uk>. In the unlikely event that a Chargor has cause to

make an official complaint alleging breach by ABN AMRO of the Code or this Agreement then that Chargor should firstly raise it with a director of ABN AMRO. He/she will arrange for it to be investigated and then let the Chargor have a final decision within 12 weeks. If the Chargor is dissatisfied with ABN AMRO's decision then the Chargor may raise the matter with UK Finance, if it relates to an alleged breach of the Code. Details of the UK Finance's Complaint Procedure can also be found at <http://www.abfa.org.uk/standards>. If the Chargor's turnover is below £6.5 million, UK Finance will arrange for the complaint to be dealt with through The Ombudsman Service Limited ("**OSL**"). OSL's award cannot exceed £25,000. The turnover limit and the maximum award may from time to time be subject to variation by UK Finance and OSL.

27. COUNTERPARTS

This Debenture 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 Debenture.

28. THIRD PARTY RIGHTS

- (a) A person who is not a Party (other than any Receiver, Delegate or Administrator) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture.
- (b) Notwithstanding Clause 28(a), the consent of any person who is not a Party is not required to rescind or vary this Debenture at any time.

29. GOVERNING LAW

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

30. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or any non-contractual obligations arising out of or in connection with this Debenture) ("**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 30 is for the benefit of ABN AMRO and the other Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

EXECUTION:

This Debenture has been entered into on the date stated at the beginning of this Debenture and executed as a deed by the Chargors and is intended to be and is delivered by the Chargors as a deed on the date specified above.

SCHEDULE 1**THE CHARGORS**

Name of Chargor	Jurisdiction incorporation	of	Registered address	office	Registered number
Rock & Alluvium Limited	England		Blake House 3 Frayswater Place, Cowley, Uxbridge, Middlesex, United Kingdom, UB8 2AD		01795468

SCHEDULE 2
SPECIFIED ASSETS

Part 1
Registered land

None at the date of this Deed

Part 2
Unregistered land

(Freehold (including commonhold) or leasehold property (if any) in England and Wales to which is not registered at Land Registry of which a Chargor is the owner)

None at the date of this Deed

Part 3
Plant and Machinery

None at the date of this Deed



Part 4
Blocked Accounts

None at the date of this Deed

EXECUTION of the Debenture:

ABN AMRO ASSET BASED FINANCE N.V., UK BRANCH

SIGNED for and on behalf of **ABN AMRO ASSET
BASED FINANCE N.V., UK BRANCH** under power
of attorney:

) 
)
) Signature
)
)
) Alison Jane Walser-Blake
) Print name
)
) 
)
) Signature
)
)
) Barry Robinson
) Print name

CHARGORS

SIGNED and delivered on the date specified above
as a deed by an authorised signatory for and on
behalf of **ROCK & ALLUVIUM LIMITED** in the
presence of;

Signature

Print name

A B RIGGOTT

Witness' signature:

Witness' name
(In capitals):

LISA COMERY

Witness' address:

**INDEPENDENT WITNESS
MUST NOT BE A FAMILY
MEMBER**