

MR01

Particulars of a charge



Companies House

173810/52.

A fee is payable with this form
Please see 'How to pay' on the
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☒ What this form is for
You may use this form to register
a charge created or evidenced by
an instrument

☒ What this form is NOT for
You may not use this form to
register a charge where
instrument Use form M

TUESDAY



LD2 *L5678Z4B* #42
03/05/2016
COMPANIES HOUSE

This form must be delivered to the Registrar for registration within
21 days beginning with the day after the date of creation of the charge. If
delivered outside of the 21 days it will be rejected unless it is accompanied by a
court order extending the time for delivery



You must enclose a certified copy of the instrument with this form. This will be
scanned and placed on the public record. Do not send the original

1 Company details

Company number 0 2 1 9 0 4 2 7

Company name in full NRAM (NO 2) LIMITED

For official use

Filing in this form
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 2 8 0 4 2 0 1 6

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4	Brief description	
Brief description	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument	Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument" Please limit the description to the available space
	N/A	
5	Other charge or fixed security	
/	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge	
/	Is the instrument expressed to contain a floating charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> Yes	
7	Negative Pledge	
/	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ^①	
	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge <input type="checkbox"/>	① This statement may be filed after the registration of the charge (use form MR06)
9	Signature	
Signature	Please sign the form here Signature X <i>Slaughter and May</i> X This form must be signed by a person with an interest in the charge	

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name STEVE DEMPSEY

Company name SLAUGHTER AND MAY

Address ONE BUNHILL ROW

Post town LONDON

County/Region

Postcode E C 1 Y 8 Y Y

Country UK

DX

Telephone 020 7090 5376



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2190427

Charge code: 0219 0427 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th April 2016 and created by NRAM (NO.2) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd May 2016

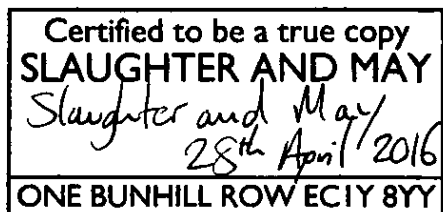
Given at Companies House, Cardiff on 10th May 2016



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



EXECUTION VERSION

DATED 28 APRIL 2016

EACH OF THE COMPANIES LISTED HEREIN
AS CHARGOR

- and -

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
(as Security Trustee)

FIRST COMPOSITE DEBENTURE

Slaughter and May
One Bunhill Row
London EC1Y 8YY
(GO/SUD)

536274505

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THIS FIRST COMPOSITE DEBENTURE (this "Debenture"), entered into pursuant to the Deed of Novation and Amendment, is dated 28 April 2016 and made by

- (1) EACH OF THE COMPANIES LISTED IN SCHEDULE 1 AS CHARGORS (the "Chargors") in favour of
- (2) THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND as trustee for the Secured Parties on the terms and conditions set out in the Loan Agreement (the "Security Trustee" which expression shall include any person for the time being appointed as trustee or as an additional trustee for the purpose of, and in accordance with, the Loan Agreement),

with the intent that it shall only come into force and effect at the Effective Time

IT IS AGREED, with effect from the Effective Time, as follows

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture and any Mortgage

"After-Tax Basis" means that, to the extent that the amount payable pursuant to a payment obligation or indemnity (the "Payment") is subject to a deduction or withholding required by law in respect of Tax or is chargeable to any Tax in the hands of the recipient, it shall be increased so as to ensure that, after taking into account the amount of Tax required to be deducted or withheld from, and the Tax chargeable on, such amount (including on the increased amount), the recipient of the Payment is in the same position as it would have been in if there had been no such Tax

"Charged Property" means all the assets and undertaking of a Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Security Trustee by or pursuant to this Debenture or any Mortgage

"Collateral Rights" means all rights, powers and remedies of the Security Trustee provided by or pursuant to this Debenture or any Mortgage or by law

"Company" means NRAM (No 1) Limited, registered in England and Wales with company number 09655526

"Deed of Novation and Amendment" means the deed of novation and amendment entered into between the Company, the Original Borrower, HMT, the Bank and the Chargors and dated on or around the date of this Debenture

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Trustee

"Effective Time" means 23 59 on 30 April 2016

"Enforcement Event" means the failure by a Chargor to discharge a Secured Obligation upon it becoming due and payable under any of the Finance Documents

"HMT" means the Commissioners of Her Majesty's Treasury

"Insurance Policy" means each policy of insurance relating to the Real Property (whether acquired before or after the date of this Debenture) which may from time to time be subject to the fixed charge or standard security created pursuant to Clause 3.1 (*Fixed Charges*) or any Mortgage and **"Insurance Policies"** means all of them referred to collectively

"Loan Agreement" means the sterling loan agreement entered into between the Original Borrower, the Lender and the Bank, dated 14 September 2007 (as amended and restated on 9 October 2007, as further amended on 16 November 2007, 7 December 2007, 18 December 2007, 11 February 2008, 17 March 2008, 29 March 2008, 1 May 2008 and 20 June 2008, as novated, amended and restated on 28 August 2008, as further amended on 30 December 2008, 24 June 2009, 29 October 2009 and 7 December 2009, as further novated (by the Original Borrower to the Company) and amended and restated at the Effective Time and as further amended, restated, varied, novated or supplemented from time to time)

"Mortgage" means a mortgage or legal charge in respect of all or any part of the Real Property located in England and Wales (whether acquired before or after the date of this Debenture) entered into in accordance with Clause 6.1 (*Further Assurance General*) substantially in the form of Schedule 4 (*Form of Legal Mortgage*) and a legal charge or standard security in respect of all or any part of the Real Property located in Scotland (whether acquired before or after the date of this Debenture entered into in accordance with Clause 6.1 (*Further Assurance General*)) in such form as the Security Trustee may approve in its absolute discretion

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 3 (*Form of Notice of Assignment of Insurance*) or in such other form as may be specified by the Security Trustee

"Original Borrower" means NRAM plc (formerly known as Northern Rock (Asset Management) plc and Northern Rock plc) registered in England and Wales with company number 03273685)

"Real Property" means

- (A) any freehold, heritable, leasehold or immovable property of each Chargor (including the freehold and leasehold properties located in England and Wales specified in Schedule 2 (*Details of Real Property*)), and
- (B) any buildings, fixtures, fittings, fixed plant or machinery of each Chargor, from time to time situated on or forming part of such freehold or leasehold property (except tenant's or trade fixtures where the Real Property is let to a person outside the Group) of any Real Property,

and includes all Related Rights

"Receiver" means a receiver or receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Charged Property and that term will include any appointee made under a joint and/or several appointment

"Related Rights" means, in relation to any asset

- (A) the proceeds of sale of any part of that asset,
- (B) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (C) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset, and
- (D) any monies and proceeds paid or payable in respect of that asset

"Secured Obligations" means all obligations covenanted to be discharged by each Chargor in Clause 2 1 (*Covenant to Pay*)

"Secured Parties" means the Security Trustee, any Receiver or Delegate, the Bank, the Lender and HMT

"Shares" means all of the shares in each subsidiary of a Chargor held by, to the order or on behalf of that Chargor at any time

1 2 Defined terms in any Mortgage

Unless a contrary indication appears, a term used in any Mortgage or in any notice given under or in connection with any Mortgage has the same meaning in that Mortgage or notice as in this Debenture

1.3 Construction

In this Debenture or, as applicable, any Mortgage

- (A) unless a contrary indication appears, a term defined in the Loan Agreement, any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning when used in this Debenture or any Mortgage,
- (B) the rules of interpretation contained in clause 1 2(a), (b), (d), (e) and (f) of the Loan Agreement shall apply to the construction of this Debenture or any Mortgage,
- (C) any reference to the "Security Trustee", a "Chargor", the "Bank" or the "Secured Parties" shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees in accordance with their respective interests, and

(D) references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture

1.4 Third Party Rights

A person who is not a party to this Debenture has no right by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture

1.5 Duplication

To the extent that the provisions of the Debenture duplicate those of any Mortgage the provisions of that Mortgage shall prevail

1.6 Disposition of Property

The terms of the other Finance Documents and of any side letters in relation to the Finance Documents are incorporated into each Finance Document to the extent required for any purported disposition of the Real Property contained in any Finance Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

1.7 Incorporation of provisions into any Mortgage

Clauses 1.2 (*Defined terms in any Mortgage*), 1.3 (*Construction*), 6.1 (*Further Assurance General*), 6.4 (*Implied Covenants for Title*), 11 (*Enforcement of Security*), 12 (*Extension and Variation of The Law of Property Act 1925*), 13 (*Appointment of Receiver or Administrator*), 14 (*Powers of Receiver*), 17 (*Power of Attorney*), 29 (*Governing Law*) and 30 (*Jurisdiction*) of this Debenture are incorporated into any Mortgage as if expressly incorporated into that Mortgage, as if references in those clauses to this Debenture were references to that Mortgage and as if all references in those clauses to Charged Property were references to the assets of each Chargor from time to time charged in favour of, or assigned (whether at law or in equity) to, the Security Trustee by or pursuant to that Mortgage

1.8 Mortgage

It is agreed that each Mortgage is supplemental to this Debenture

2. PAYMENT OF SECURED OBLIGATIONS

2.1 Covenant to Pay

Each Chargor covenants with the Security Trustee as trustee for the Secured Parties that it shall on demand of the Security Trustee discharge all obligations which each Chargor may at any time have to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to the Finance Documents including any liability in respect of any further advances made under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity)

and each Chargor shall pay to the Security Trustee when due and payable every sum at any time owing, due or incurred by each Chargor to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties in respect of any such liabilities,

Provided that neither such covenant nor the security constituted by this Debenture or any Mortgage shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law

2.2 Interest on Demands

If a Chargor fails to pay any sum on the due date for payment of that sum that Chargor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the rate determined in accordance with the provisions of clause 11 (*Default Interest*) of the Loan Agreement

3 FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE

3.1 Fixed Charges

(A) Each Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations

(i) by way of first legal mortgage, all of that Chargor's right, title and interest from time to time in and to the Real Property vested in that Chargor specified in Schedule 1 (*Details of Real Property*), and

(ii) by way of first fixed charge or standard security (as applicable), all of that Chargor's right, title and interest from time to time in and to any Real Property (whether acquired before or after the date of this Debenture) vested in that Chargor in relation to which the Security Trustee has made a request pursuant to Clause 6.1 (*Further Assurance General*),

in each case, subject to obtaining any necessary consent to such mortgage or fixed charge or standard security from any third party, and

(B) Each Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations, by way of first fixed charge, all of that Chargor's right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Shares, all dividends, interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise),

in each case subject to the provisions of Clause 19 (*Release of Security*)

3.2 Assignments

Each Chargor assigns and agrees to assign absolutely with full title guarantee to the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations all of its right, title and interest from time to time in the proceeds of the Insurance Policies and all Related Rights (subject to obtaining any necessary consent to that assignment from any third party and to the provisions of Clause 19 (*Release of Security*))

3.3 Floating Charge

- (A) Subject to Clause 3.3(D), each Chargor with full title guarantee charges in favour of the Security Trustee as trustee for the Secured Parties with the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertaking of that Chargor and all its rights and interests in the foregoing, including all the Charged Property expressed to be charged or assigned by it pursuant to Clause 3.1 (*Fixed Charges*) (including all its heritable and moveable property and other property, assets and rights in Scotland or governed by the laws of Scotland) and Clause 3.2 (*Assignments*)
- (B) The floating charge created by Clause 3.3(A) shall be deferred in point of priority to all fixed Security validly and effectively created by a Chargor under the Finance Documents in favour of the Security Trustee as trustee for the Secured Parties as security for the Secured Obligations
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 3.3 (*Floating Charge*)
- (D) If any third party consent is necessary to enable an asset of a Chargor to be the subject of an effective floating charge, that asset shall only become subject to the floating charge upon obtaining such necessary third party consent

4 CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation By Notice

The Security Trustee may at any time by notice in writing to a Chargor convert the floating charge created by Clause 3.3 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if

- (A) a Notification Event has occurred and is continuing, or
- (B) the Security Trustee in its absolute discretion considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process, or
- (C) the Security Trustee in its absolute discretion considers that it is desirable in order to protect the priority of the security

4.2 Crystallisation. Automatic

Notwithstanding Clause 4.1 (*Crystallisation By Notice*) and without prejudice to any law which may have a similar effect, the floating charge of each Chargor will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if

- (A) that Chargor creates or attempts to create any Security (other than any Security permitted under clause 18(d) of the Loan Agreement) over any of the Charged Property, or
- (B) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property of that Chargor, or
- (C) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of that Chargor or an administrator is appointed to that Chargor; or
- (D) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to that Chargor or files such a notice with the court

This Clause 4.2 (*Crystallisation Automatic*) will not apply to any assets situated in Scotland of and to the extent that a Receiver would not be capable of exercising his or her powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such automatic conversion

5. PERFECTION OF SECURITY

5.1 Notices of Assignment

Each Chargor shall deliver to the Security Trustee (or procure delivery of) Notices of Assignment duly executed by, or on behalf of, that Chargor in respect of its Insurance Policies and Related Rights which are the subject of an assignment pursuant to Clause 3.2 (*Assignments*) promptly upon the request of the Security Trustee from time to time, and shall use all reasonable endeavours to procure that each notice is acknowledged by the obligor or debtor specified by the Security Trustee

5.2 Real Property: Delivery of Documents of Title

Each Chargor shall upon request by the Security Trustee deliver (or procure delivery) to the Security Trustee of, and the Security Trustee shall be entitled to hold and retain, all deeds, certificates and other documents constituting or evidencing title relating to that Chargor's interest in any Real Property (whether acquired before or after the date of this Debenture) which may from time to time be subject to the fixed charge created pursuant to Clause 3.1 (*Fixed Charges*) or any Mortgage, subject to the provisions of Clause 19 (*Release of Security*)

5.3 Further Advances

- (A) Subject to the terms of the Loan Agreement, the Lender may make further

Advances to the Company and that discretion shall be deemed to be incorporated into this Debenture as if set out in this Debenture

- (B) Each Chargor consents to an application being made to the Land Registry to enter the option to make further Advances on the Charges Register of any registered land forming part of the Real Property (whether acquired before or after the date of this Debenture) vested in that Chargor which may from time to time be subject to the fixed charge created pursuant to Clause 3.1 (*Fixed Charges*) or any Mortgage

5.4 Application to the Land Registry

The Company consents to an application being made to H M Land Registry for the following notice/restriction to be entered on the register of the title of any registered land at any time forming part of the Real Property (whether acquired before or after the date of this Debenture) which is registered under the Land Registration Act 2002 and which may from time to time be the subject of the fixed charge created pursuant to Clause 3.1 (*Fixed Charges*) or any Mortgage

"No disposition (in particular no transfer, charge, mortgage or lease) of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [chargee] referred to in the charges register"

5.5 Delivery of Share Certificates

Each Chargor shall

- (A) on request by the Security Trustee, deposit with the Security Trustee (or procure the deposit of) all certificates or other documents of title relating to that Chargor's Shares, and stock transfer forms (executed in blank by or on behalf of that Chargor), and
- (B) on request by the Security Trustee, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from that Chargor's Shares, notify the Security Trustee of that occurrence and procure the delivery to the Security Trustee of (i) all certificates or other documents of title representing such items and (ii) such stock transfer forms or other instruments of transfer (executed in blank by or on behalf of that Chargor) in respect thereof as the Security Trustee may request

6 FURTHER ASSURANCE

6.1 Further Assurance General

- (A) Each relevant Chargor shall promptly on the request by the Security Trustee and at its own cost do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security

Trustee may reasonably require in favour of the Security Trustee or its nominee(s))

- (i) to perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Chargor of a mortgage, standard security, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Property) or for the exercise of the Collateral Rights,
 - (ii) to confer on the Security Trustee security over any property and assets of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Debenture or any legal mortgage, and/or
 - (iii) to facilitate the realisation of the Charged Property
- (B) Without limitation to the foregoing, the Security Trustee may at its discretion at any time request each relevant Chargor to create a legal mortgage, standard security or other similar fixed security over any Real Property (whether acquired before or after the date of this Debenture) vested in the Chargor. If so requested by the Security Trustee, the relevant Chargor shall promptly at its own cost enter into a Mortgage over such Real Property

6.2 Necessary Action

Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Trustee by or pursuant to this Debenture and any Mortgage

6.3 Consents

Each Chargor shall use all reasonable endeavours to obtain (in form and content satisfactory to the Security Trustee) as soon as possible any consents necessary including any consent necessary for any Mortgage or to enable the assets of the relevant Chargor to be the subject of an effective fixed or floating charge or assignment pursuant to Clause 3 (*Fixed Charges, Assignments and Floating Charge*) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such security and the relevant Chargor shall promptly deliver a copy of each consent to the Security Trustee, but any failure to obtain or delay in obtaining any such consent in relation to any assets or rights shall not affect the effectiveness of the fixed or floating charge or assignment created or made pursuant to that clause in relation to any other assets or rights or any other part of the undertaking of the relevant Chargor charged or assigned pursuant to that clause

6.4 Implied Covenants for Title

The obligations of each Chargor under this Debenture and any Mortgage shall be in addition to the covenants for title deemed to be included in this Debenture and any Mortgage by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994

7 NEGATIVE PLEDGE AND DISPOSALS

7.1 Negative Pledge

Each Chargor undertakes that it shall not, at any time during the subsistence of this Debenture or any Mortgage, create or permit to subsist any Security over all or any part of the relevant Chargor's Charged Property other than Security permitted pursuant to the Loan Agreement

7.2 No Disposal of Interests

Each Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture or any Mortgage, except as permitted pursuant to the Loan Agreement or by this Clause 7 (*Negative Pledge and Disposals*)

- (A) execute any conveyance, transfer, lease or assignment of, or other right to use or occupy, all or any part of the relevant Chargor's Charged Property charged pursuant to Clause 3.1 (*Fixed Charges*),
- (B) create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the relevant Chargor's Charged Property charged pursuant to Clause 3.1 (*Fixed Charges*), or
- (C) (i) grant or vary, or accept any surrender or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the relevant Chargor's Charged Property charged pursuant to Clause 3.1 (*Fixed Charges*), or (ii) allow any person any right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the relevant Chargor's Charged Property charged pursuant to Clause 3.1 (*Fixed Charges*), which may, in each case, adversely affect the value of any of the Charged Property or the ability of the Security Trustee to exercise any of the Collateral Rights

8 SHARES

8.1 Shares. Before Enforcement Event

Prior to the occurrence of an Enforcement Event each Chargor shall

- (A) upon the request of the Security Trustee, pay all dividends, interest and other monies arising from its Shares into such account maintained by that Chargor with the Security Trustee as is specified by the Security Trustee, provided that until such request all such dividends, interest and other monies arising from its Shares shall be paid directly to the relevant Chargor, and
- (B) exercise all voting rights in relation to its Shares provided that each Chargor shall not exercise (and shall procure that any nominee acting on its behalf does not exercise) such voting rights in any manner, or otherwise permit or agree to any (i) variation of the rights attaching to or conferred by any of the Shares or (ii) increase in the issued share capital of any company whose Shares are charged pursuant to this Debenture, which in the opinion of the Security Trustee would

prejudice the value of, or the ability of the Security Trustee to realise, the security created by this Debenture

8.2 Shares After Enforcement Event

The Security Trustee may, upon the occurrence of an Enforcement Event, at its discretion (in the name of the relevant Chargor or otherwise and without any further consent or authority from that Chargor)

- (A) exercise (or refrain from exercising) any voting rights in respect of the relevant Chargor's Shares,
- (B) apply all dividends, interest and other monies arising from the relevant Chargor's Shares in accordance with Clause 15 (*Application of Monies*),
- (C) transfer the relevant Chargor's Shares into the name of such nominee(s) of the Security Trustee as it shall require, and
- (D) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the relevant Chargor's Shares,

in such manner and on such terms as the Security Trustee may think fit, and the proceeds of any such action shall form part of the Charged Property

8.3 Shares Payment of Calls

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of its Shares, and in any case of default by the relevant Chargor in such payment, the Security Trustee may, if it thinks fit, make such payment on behalf of that Chargor in which case any sums paid by the Security Trustee shall be reimbursed by that Chargor to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate and in accordance with Clause 2.2 (*Interest on Demands*)

8. INSURANCES

9.1 Insurance. Undertakings

Each Chargor shall at all times during the subsistence of this Debenture or any Mortgage

- (A) keep its Charged Property insured in accordance with the terms of the Loan Agreement (notwithstanding that the Final Repayment Date may have occurred),
- (B) if required by the Security Trustee, cause all or any of its Insurance Policies other than those which have been the subject of a Notice of Assignment pursuant to Clause 5 (*Perfection of Security*) to contain (in form and substance satisfactory to the Security Trustee) an endorsement naming the Security Trustee as sole loss payee in respect of all claims in excess of an amount to be notified by the Security Trustee (after consultation with the relevant Chargor) to the relevant Chargor until such time as the Security Trustee notifies the insurer(s) to the contrary;

- (C) promptly pay all premiums and other monies payable under all its Insurance Policies and promptly upon request, produce to the Security Trustee a copy of each policy and evidence (acceptable to the Security Trustee) of the payment of such sums, and
- (D) if required by the Security Trustee (but subject to the provisions of any lease of the Charged Property), deposit all its Insurance Policies with the Security Trustee

9.2 Insurance. Default

If a Chargor defaults in complying with Clause 9.1 (*Insurance Undertakings*), the Security Trustee may effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all monies expended by the Security Trustee in doing so shall be reimbursed by the relevant Chargor to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate specified in Clause 2.2 (*Interest on Demands*)

9.3 Application of Insurance Proceeds

All monies received under any Insurance Policies shall (subject to the rights and claims of any person having prior rights to such monies), prior to the occurrence of an Enforcement Event, be applied in repairing, replacing, restoring or rebuilding the property or assets damaged or destroyed, after the occurrence of an Enforcement Event, the relevant Chargor shall hold such monies upon trust for the Security Trustee pending payment to the Security Trustee for application in accordance with Clause 15 (*Application of Monies*) and that Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of the Real Property

10 REAL PROPERTY

10.1 Property Notification

Each Chargor shall if the Security Trustee serves notice to such effect immediately notify the Security Trustee of any contract, conveyance, transfer or other disposition for the acquisition by it (or its nominee(s)) of any Real Property

10.2 Lease Covenants

Each Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of its Real Property at any time forming part of its Charged Property is at any time subject

- (A) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or, (if the lessee) on the lessee, and
- (B) not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Real Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term

10.3 General Property Undertakings

Each Chargor shall

- (A) keep all its Real Property at any time forming part of its Charged Property in good and substantial repair and condition to the satisfaction of the Security Trustee,
- (B) not at any time without the prior written consent of the Security Trustee sever or remove any of the fixtures forming part of, or any of the plant or machinery (other than stock in trade or work in progress) on or in, its Real Property at any time forming part of the Charged Property (except for the purpose of any necessary repairs or replacement of it), and
- (C) comply with and observe and perform (i) all applicable requirements of all planning and environmental legislation, regulations and bye-laws relating to its Real Property at any time forming part of its Charged Property, (ii) any conditions attaching to any planning permissions relating to or affecting its Real Property at any time forming part of its Charged Property and (iii) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of its Real Property at any time forming part of its Charged Property

10.4 Entitlement to Remedy

If a Chargor fails to comply with any of the undertakings contained in this Clause 10 (*Real Property*), the Security Trustee shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may in the opinion of the Security Trustee be required to remedy such failure and all monies spent by the Security Trustee in doing so shall be reimbursed by the relevant Chargor on demand with interest from the date of payment by the Security Trustee until reimbursed in accordance with Clause 2.2 (*Interest on Demands*)

11 ENFORCEMENT OF SECURITY**11.1 Enforcement**

At any time after the occurrence of an Enforcement Event (as long as it is continuing) or if a Chargor requests the Security Trustee to exercise any of its powers under this Debenture or if a petition or application is presented for the making of an administration order in relation to a Chargor or if any person who is entitled to do so gives written notice of its intention to appoint an administrator of a Chargor or files such a notice with the court, the security created by or pursuant to this Debenture is immediately enforceable and the Security Trustee may, without notice to the relevant Chargor or prior authorisation from any court, in its absolute discretion

- (A) enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property, and
- (B) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied

or extended by this Debenture) and each Mortgage on mortgagees and by this Debenture and each Mortgage on any Receiver or otherwise conferred by law on mortgagees or Receivers

11.2 No Liability as Mortgagee in Possession

Neither the Security Trustee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable

11.3 Right of Appropriation

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of each Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226) (as amended by SI 2009/2462) (the "Regulations") the Security Trustee shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (A) in the case of cash, the amount standing to the credit of each of the accounts opened or maintained by each Chargor with the Security Trustee, the Bank or any other person (and any subdivision or sub-account of that account), together with any accrued but unposted interest, at the time the right of appropriation is exercised, and (B) in the case of Shares, the market price of such Shares determined by the Security Trustee by reference to a public index or by such other process as the Security Trustee may select, including independent valuation. In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations

11.4 Effect of Moratorium

The Security Trustee shall not be entitled to exercise its rights under Clause 11.1 (*Enforcement*) or Clause 4 (*Crystallisation of Floating Charge*) where the right arises as a result of an Enforcement Event occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986

12. EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925

12.1 Extension of Powers

The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Debenture and each Mortgage shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture and each Mortgage

12.2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture and each Mortgage or to the exercise by the Security Trustee of its right to consolidate all or any of the security created by or pursuant to this Debenture and each Mortgage with any other security in existence at any time or to its power of sale, which powers may be exercised by the Security Trustee without notice to any Chargor on or at any time after the occurrence of an Enforcement Event which is continuing

12.3 Power of Leasing

The statutory powers of leasing may be exercised by the Security Trustee at any time on or after the occurrence of an Enforcement Event and the Security Trustee and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925

13 APPOINTMENT OF RECEIVER OR ADMINISTRATOR**13.1 Appointment and Removal**

After the occurrence of an Enforcement Event or if a petition or application is presented for the making of an administration order in relation to a Chargor or if any person who is entitled to do so gives written notice of its intention to appoint an administrator of a Chargor or files such a notice with the court or if requested to do so by any Chargor, the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without prior notice to the relevant Chargor

- (A) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property,
- (B) appoint two or more Receivers of separate parts of the Charged Property,
- (C) remove (so far as it is lawfully able) any Receiver so appointed,
- (D) appoint another person(s) as an additional or replacement Receiver(s), or
- (E) appoint one or more persons to be an administrator of the relevant Chargor

13.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 13.1 (*Appointment and Removal*) shall be

- (A) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (B) for all purposes shall be deemed to be the agent of the relevant Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment

of his remuneration and no Receiver shall at any time act as agent for the Security Trustee, and

- (C) entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925)

13.3 Statutory Powers of Appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Debenture and each Mortgage) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Charged Property

14 POWERS OF RECEIVER

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of any Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of the relevant Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of the relevant Chargor)

- (A) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act,
- (B) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver),
- (C) all the powers and rights of an absolute owner and power to do or omit to do anything which the relevant Chargor itself could do or omit to do, and
- (D) the power to do all things (including bringing or defending proceedings in the name or on behalf of a Chargor) which seem to the Receiver to be incidental or conducive to (i) any of the functions, powers, authorities or discretions conferred on or vested in him or (ii) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or (iii) bringing to his hands any assets of the relevant Chargor forming part of, or which when got in would be, Charged Property

15. APPLICATION OF MONIES

All monies received or recovered by the Security Trustee or any Receiver pursuant to this Debenture and each Mortgage or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied in the following order

- (A) *first*, in or towards satisfaction, *pro rata*, according to the respective amounts due, of
 - (i) the fees or other remuneration and indemnity payments (if any) then payable to any Receiver and any costs, charges, liabilities and expenses incurred by it (including, for the avoidance of doubt, any costs, charges, liabilities and expenses incurred by it in connection with any realisation or enforcement of the Security granted under the Finance Documents),
 - (ii) the fees and indemnity payments (if any) payable to the Security Trustee and any costs, charges, liabilities and expenses incurred by it (including, for the avoidance of doubt, any costs, charges, liabilities and expenses incurred by it in connection with any realisation or enforcement of the Security granted under the Finance Documents) taken in accordance with the terms of this Debenture for which it is entitled to be reimbursed or indemnified under this Deed or any other Finance Document,
- (B) *second*, all unpaid fees of the Finance Parties which have fallen due for payment under the Loan Agreement or any other Finance Document,
- (C) *third*, all amounts of unpaid interest due in respect of the Facility A Advance,
- (D) *fourth*, all amounts of unpaid interest due in respect of the Facility B Advances,
- (E) *fifth*, the Facility A Advance,
- (F) *sixth*, all Facility B Advances,
- (G) *seventh*, all indemnity payments (if any) payable to the Finance Parties pursuant to the Indemnity and Cost Recovery Deed and all costs, charges, liabilities and expenses (if any) payable to the Finance Parties under the Indemnity and Cost Recovery Deed or any other Finance Document, and
- (H) *eighth*, all other amounts due or overdue in respect of the Loan Agreement or any other Finance Document

16. PROTECTION OF PURCHASERS

16.1 Consideration

The receipt of the Security Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Security Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

16.2 Protection of Purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise

any of its powers has arisen or become exercisable or be concerned with any property or regularly on the part of the Security Trustee or such Receiver in such dealings

17. POWER OF ATTORNEY

17.1 Appointment and Powers

Each Chargor by way of security irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for

- (A) carrying out any obligation imposed on a Chargor by this Debenture or any other agreement binding on a Chargor to which the Security Trustee is party (including the execution and delivery of any Mortgages, deeds, charges, assignments or other security and any transfers of the Charged Property), and
- (B) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or any Mortgage or by law (including, after the occurrence of an Enforcement Event, the exercise of any right of a legal or beneficial owner of the Charged Property)

17.2 Ratification

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers

18. EFFECTIVENESS OF SECURITY

18.1 Continuing Security

- (A) The Security created by or pursuant to this Debenture and any Mortgage shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Trustee
- (B) No part of the security from time to time intended to be constituted by the Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations

18.2 Cumulative Rights

The security created by or pursuant to this Debenture and any Mortgage and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Security Trustee or any Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge into the security constituted by this Debenture and any Mortgage

18.3 No Prejudice

The security created by or pursuant to this Debenture and any Mortgage and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Trustee holds the security or by any other thing which might otherwise prejudice that security or any Collateral Right

18.4 Remedies and Waivers

No failure on the part of the Security Trustee to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver of that Collateral Right, nor shall any single or partial exercise of any Collateral Right preclude any further or other exercise of that or any other Collateral Right

18.5 No Liability

None of the Security Trustee, its nominee(s) or any Receiver shall be liable by reason of (i) taking any action permitted by this Debenture or any Mortgage or (ii) any neglect or default in connection with the Charged Property or (iii) taking possession of or realising all or any part of the Charged Property, except in the case of fraud, gross negligence, wilful misconduct or wilful default upon its part

18.6 Partial Invalidity

If, at any time, any provision of this Debenture or any Mortgage is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture or any Mortgage nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Debenture or any Mortgage is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security

18.7 Waiver of defences

The obligations of each Chargor under this Debenture and each Mortgage and the Collateral Rights will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Debenture and each Mortgage (without limitation and whether or not known to it or any Secured Party) including

- (A) any time, waiver or consent granted to, or composition with, any Obligor or other person,
- (B) the release of 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 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 any Obligor or any other person,
- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Obligations,
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security or of the Secured Obligations, or
- (G) any insolvency or similar proceedings

18.8 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (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 any Chargor under this Debenture or any Mortgage. This waiver applies irrespective of any law or any provision of this Debenture to the contrary or any Mortgage.

18.9 Deferral of Rights

Until such time as the Secured Obligations have been discharged in full, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or any Mortgage

- (A) to be indemnified by any Obligor,
- (B) to claim any contribution from any guarantor of any Obligor's obligations under this Debenture, and/or

to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, this Debenture by any Finance Party

19. RELEASE OF SECURITY

19.1 Redemption of Security

Upon the Secured Obligations being discharged in full and none of the Secured Parties being under any further actual or contingent obligation to make advances, the Security Trustee shall, at the request and cost of the relevant Chargor, release and cancel the

security constituted by this Debenture and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Trustee pursuant to this Debenture, in each case subject to Clause 19.2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees

19.2 Avoidance of Payments

If the Security Trustee considers that any amount paid or credited to any Finance Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of each Chargor under this Debenture and the security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid

20. SET-OFF

Each Chargor authorises the Security Trustee (but the Security Trustee shall not be obliged to exercise such right), after the occurrence of an Enforcement Event which is continuing, to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Trustee to any Chargor and apply any credit balance to which any Chargor is entitled on any account with the Security Trustee in accordance with Clause 15 (*Application of Monies*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account)

21 SUBSEQUENT AND PRIOR SECURITY

21.1 Subsequent Security

If the Security Trustee (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture or any Mortgage or the Loan Agreement, all payments thereafter by or on behalf of any Chargor to the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Security Trustee received such notice

21.2 Prior Security

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security or upon the exercise by the Security Trustee or any Receiver of any power of sale under this Debenture or any Mortgage the Security Trustee may redeem that prior Security or procure the transfer of it to itself. The Security Trustee may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on the relevant Chargor. All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by that Chargor to the Security Trustee on demand

22 CURRENCY CONVERSION

For the purpose of or pending the discharge of any of the Secured Obligations, the Security Trustee may convert any monies received or recovered by the Security Trustee or any Receiver pursuant to this Debenture or any Mortgage from one currency to another at the spot rate at which the Security Trustee is able to purchase the currency in which the Secured Obligations are due with the amount received. The Secured Obligations shall only be satisfied to the extent of amount of the due currency purchased after deducting the costs of conversion.

23 ASSIGNMENT

The Security Trustee may assign and transfer all or any of its rights and obligations under this Debenture or any Mortgage. The Security Trustee shall be entitled to disclose such information concerning any Chargor and this Debenture or any Mortgage as the Security Trustee considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

24. EXPENSES, STAMP TAXES AND INDEMNITY

24.1 Expenses

Each Chargor shall, from time to time on demand of the Security Trustee, reimburse the Security Trustee for all the costs and expenses (including legal fees) on a full indemnity basis together with any amount in respect of VAT thereon incurred by it in connection with

- (A) the negotiation, preparation and execution of this Debenture or any Mortgage and the completion of the transactions and perfection of the security contemplated in this Debenture or any Mortgage, and
- (B) the exercise, preservation and/or enforcement of any of the Collateral Rights or the security contemplated by this Debenture or any Mortgage or any proceedings instituted by or against the Security Trustee as a consequence of taking or holding the security or of enforcing the Collateral Rights,

and such amounts shall carry interest from the date of such demand until so reimbursed at the rate and on the basis as mentioned in Clause 2.2 (*Interest on Demands*), provided that the Security Trustee shall not make a claim under this Clause 24.1 (*Expenses*) in respect of any costs and expenses recovered under the Indemnity and Cost Recovery Deed.

24.2 Stamp Taxes

Each Chargor shall pay all stamp, registration and other Taxes to which this Debenture, the security contemplated in this Debenture and any Mortgage or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Security Trustee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such Tax.

24.3 Indemnity

Each Chargor shall, notwithstanding any release or discharge of all or any part of the security, indemnify the Security Trustee on an After-Tax Basis, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any breach by a Chargor of the provisions of this Debenture or any Mortgage, the exercise or purported exercise of any of the rights and powers conferred on them by this Debenture or any Mortgage or otherwise relating to the Charged Property provided that the Security Trustee shall not make a claim under this Clause 24.3 (*Indemnity*) in respect of any action, proceeding, claim, losses, liabilities, and costs recovered under the Indemnity and Cost Recovery Deed

25. PAYMENTS FREE OF DEDUCTION

All payments to be made to the Security Trustee under this Debenture or any Mortgage shall be made free and clear of and without deduction for or on account of Tax unless a Chargor is required by law to make such payment subject to the deduction or withholding of Tax, in which case the sum payable by that Chargor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the recipient receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made

26. DISCRETION AND DELEGATION**26.1 Discretion**

Any liberty or power which may be exercised or any determination which may be made under this Debenture or under any Mortgage by the Security Trustee or any Receiver may, subject to the terms and conditions of the Loan Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons

26.2 Delegation

Each of the Security Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) or any Mortgage on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Trustee or the Receiver itself

27. PERPETUITY PERIOD

The perpetuity period under the rule against perpetuities, if applicable to this Debenture, shall be the period of eighty years from the date of the Loan Agreement

28. COUNTERPARTS

This Debenture may be executed in any number of counterparts, each of which shall be deemed an original and this has the same effect as if the signatures on the counterparts were on a single copy of this Debenture. Any party may enter into this Debenture by signing any such counterpart.

29. GOVERNING LAW

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

30. JURISDICTION**30.1 English Courts**

The courts of England have exclusive jurisdiction to settle any dispute (a "Dispute") arising out of, or connected with this Debenture or any Mortgage (including a dispute regarding the existence, validity or termination of this Debenture or any Mortgage or the consequences of its nullity).

30.2 Convenient Forum

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

30.3 Exclusive Jurisdiction

This Clause 30 (*Jurisdiction*) is for the benefit of the Security Trustee only. As a result and notwithstanding Clause 30.1 (*English Courts*), it does not prevent the Security Trustee from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Trustee may take concurrent proceedings in any number of jurisdictions.

THIS DEBENTURE has been executed as a deed and is delivered on the date specified above.

SCHEDULE 1

THE CHARGORS

No	Name	Jurisdiction of Incorporation	Registered Number
1	Heron's Reach Developments Limited	A limited liability company duly incorporated under the laws of England and Wales	02554549
2	NRAM (No 2) Limited	A limited liability company duly incorporated under the laws of England and Wales	02190427
3	NRAM Homes Limited	A limited liability company duly incorporated under the laws of England and Wales	02306045

SCHEDULE 2

DETAILS OF REAL PROPERTY

Chargor	Description of Real Property Charged	Title Number
<i>N/A</i>		

For the avoidance of doubt, the Real Property listed in this Schedule 2 includes any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property and includes all Related Rights

SCHEDULE 3

FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To [Insurer]

Date [•]

Dear Sirs,

We hereby give you notice that we have assigned to The Governor and Company of the Bank of England (the "Security Trustee") pursuant to a debenture entered into by us in favour of the Security Trustee dated __ April 2016 all our right, title and interest in and to the proceeds of *[insert details of relevant insurance policy]* (the "Policy of Insurance")

With effect from your receipt of this notice we instruct you to

- 1 make all payments and claims under or arising from the Policy of Insurance to the Security Trustee *[insert an account number if required]* or to its order as it may specify in writing from time to time,
- 2 note the interest of the Security Trustee on the Policy of Insurance, and
- 3 disclose to the Security Trustee, without further approval from us, such information regarding the Policy of Insurance as the Security Trustee may from time to time request and to send it copies of all notices issued by you under the Policy of Insurance

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy of Insurance (including all rights to compel performance) belong to and are exercisable by the Security Trustee

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Trustee at [•] marked for the attention of [•]

Yours faithfully,

for and on behalf of

[CHARGOR]

[on copy only]

To **THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND**

We acknowledge receipt of a notice in the terms set out above (the "Notice")

Please note that we are informed pursuant to a notice of assignment dated [•] that the rights, title and interest of the Chargor in respect of the proceeds of the Policy of Insurance are charged in favour of the Security Trustee pursuant a debenture dated [•] April 2016

We confirm that

- 1 we 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 the Notice and that we will comply with the terms of the Notice, and
- 2 no amendment or termination of the Policy of Insurance shall be effective unless we have given the Security Trustee thirty days' written notice of such amendment or termination

For and on behalf of [•]

By

Dated

SCHEDULE 4
FORM OF LEGAL MORTGAGE

DATED [•]

[CHARGOR]

AND

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND

MORTGAGE

THIS DEED is dated [•] and made between

- (1) [CHARGOR] registered in England and Wales with company number [•] (the "Chargor"),
and
- (2) THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND of Threadneedle
Street, London EC2R 8AH as security trustee (the "Security Trustee")

BACKGROUND

It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand

IT IS AGREED as follows

1 DEFINITIONS

In this Deed

"Mortgaged Property" means

- (a) the property specified in Schedule 1 (*Details of Mortgaged Property*), and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property (except tenant's or trade fixtures where the Mortgage Property is let to persons outside of the Group),

and includes all Related Rights

"Related Rights" means, in relation to any asset

- (a) the proceeds of sale of any part of that asset,
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset, and
- (d) any monies and proceeds paid or payable in respect of that asset

2. FIXED SECURITY

The Chargor charges with full title guarantee in favour of the Security Trustee with the payment and discharge of the Secured Obligations, by way of first legal mortgage the Mortgaged Property

3 IMPLIED COVENANTS FOR TITLE

The obligations of the Chargor under this Mortgage shall be in addition to the covenants for title deemed to be included in this Debenture and any Mortgage by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994

4. APPLICATION TO THE LAND REGISTRY

The Chargor consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship register of any property which is, or is required to be, registered forming part of the Mortgaged Property

"No disposition (in particular no transfer, charge, mortgage or lease) of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [chargee] referred to in the charges register"

5 FURTHER ADVANCES

- 5 1 The Bank has an option to make further Advances to the Chargor and that obligation will be deemed to be incorporated into this Mortgage as if set out in this Mortgage
- 5 2 The Chargor hereby consents to an application being made to the Land Registry to enter the obligation to make further Advances on the Charges register of any registered land forming part of the Mortgaged Property

6 RELEASE OF SECURITY

6 1 Redemption of Security

Upon the Secured Obligations being discharged in full and none of the Secured Parties being under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any agreement between the Security Trustee and the Chargor, the Security Trustee shall, at the request and cost of the Chargor, release and cancel the security constituted by this Mortgage and procure the reassignment to the Chargor of the property and assets assigned to the Security Trustee pursuant to this Mortgage, in each case subject to Clause 5 2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees

6.2 Avoidance of Payments

If the Security Trustee considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Mortgage and the security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid

7. THIRD PARTY RIGHTS

A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed

8 GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law

9. COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which shall be deemed an original and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed. Any party may enter into this Mortgage by signing any such counterpart.

THIS DEED has been entered into as a deed on the date stated at the beginning of this Deed

SCHEDULE 1

DETAILS OF MORTGAGED PROPERTY

Description of Property

Title Number

[]

[]

FIRST COMPOSITE DEBENTURE EXECUTION PAGE

The Chargors

EXECUTED AS A DEED BY
HERON'S REACH DEVELOPMENTS
LIMITED acting by its duly authorised
attorney,

IAN HARES,

in the presence of

GRAHAM DUNN

Name of witness



Signature of witness

TRAINEE SOLICITOR

Occupation of witness

1 BUNHILL ROW,

LONDON EC1Y 8Y4

Address of witness

EXECUTED AS A DEED BY
NRAM (NO 2) LIMITED acting by its duly
authorised attorney,

IAN HARES,

in the presence of

GRAHAM DUNN

Name of witness



Signature of witness

TRAINEE SOLICITOR

Occupation of witness

1 BUNHILL ROW,

LONDON EC1Y 8Y4

Address of witness

FIRST COMPOSITE DEBENTURE EXECUTION PAGE

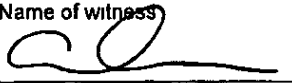
EXECUTED AS A DEED BY
NRAM HOMES LIMITED acting by its duly
authorised attorney,

IAN HARES,

in the presence of

GRAHAM DONN

Name of witness



Signature of witness

TRAINEE SOLICITOR

Occupation of witness

1 BUNHILL ROW,
LONDON EC1Y 84Y

Address of witness

FIRST COMPOSITE DEBENTURE EXECUTION PAGE

The Security Trustee

For and on behalf of The Governor and Company of the Bank of England in its capacity as the Security Trustee

The common seal of
**THE GOVERNOR AND COMPANY OF
THE BANK OF ENGLAND**
was hereunto affixed in the presence of

Signature of authorised signatory

Name of authorised signatory

H. T. Halpern
Am. Mng. H. T. Halpern

Signature of authorised signatory

Name of authorised signatory

John Footman
John Footman