37754 | 13

In accordance with Sections 859A and 859J of the Companies Act 2006

MR01
Particulars of a charge

Companies House

A fee is payable with this form
Please see 'How to pay' on the last page

You can use the WebFi
Please go to www comp

FRIDAY

A3G90Z1U
A07 12/09/2014 #231
COMPANIES HOUSE

✓ **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**
You may not use this form register a charge where t instrument Use form MR

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

For official use 9

Company number	0 2 7 2 2 1 3 6
Company name in full	Positive Clothing (London) Limited

→ **Filling 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	d 0 8 m 0 9 y 2 0 1 4

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	Matthew Miller
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

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

Brief description

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

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

☑ **Yes**

☐ **No**

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☑ **Yes** Continue

☐ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☑ **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

☑ **Yes**

☐ **No**

8 Trustee statement ❶

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

☐

❶ This statement may be filed after the registration of the charge (use form MR06)

9 Signature

Please sign the form here

Signature

Signature

X Mishcon de Reya 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: JESSICA COLLINGS

Company name: MISHCON DE REYA

Address: SUMMIT HOUSE
12 RED LION SQUARE
LONDON

Post town: LONDON

County/Region:

Postcode: WC1R 4QD

Country: ENGLAND

DX: 37954 KINGSWAY

Telephone: 02074066130

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: 2722136

Charge code: 0272 2136 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th September 2014 and created by POSITIVE CLOTHING (LONDON) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th September 2014

Given at Companies House, Cardiff on 16th September 2014

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

DATED 8 September 2014

POSITIVE CLOTHING (LONDON) LIMITED
as Chargor

MATTHEW MILLER
as Lender

WE CERTIFY THAT THIS IS A TRUE
COPY OF THE ORIGINAL
Mishcon de Reya SOLICITOR
MISHCON DE REYA, SOLICITORS, SUMMIT HOUSE
12 RED LION SQ, LONDON WC1R 4QD

SECURITY AGREEMENT

Mishcon de Reya
Summit House
12 Red Lion Square
London WC1R 4QD
Tel 020 7440 7000
Fax: 020 7404 5982

TABLE OF CONTENTS

1	DEFINITIONS AND INTERPRETATION	1
2	COVENANT TO PAY, FURTHER ADVANCES	7
3	GRANT OF SECURITY	8
4	RESTRICTIONS ON DEALING	12
5	ACCOUNTS	13
6	PROPERTIES	13
7	EQUIPMENT	17
9	REPRESENTATIONS AND WARRANTIES	19
10	POWER TO REMEDY	20
11	ENFORCEMENT	20
12	ADMINISTRATOR AND RECEIVER	23
13	POWERS OF ADMINISTRATOR AND RECEIVER	24
14	AMOUNTS RECEIVED	28
15	POWER OF ATTORNEY AND DELEGATION	29
16	PROTECTION OF SECURITY AND FURTHER ASSURANCE	30
17	COSTS AND INDEMNITY	31
18	MISCELLANEOUS	32
19	DEMANDS AND NOTICES	33
20	ASSIGNMENT AND TRANSFER	33
21.	RELEASE OF SECURITY	33
22	GOVERNING LAW	35
23	COUNTERPARTS	35
SCHEDULE 1		36
SCHEDULE 2		37
Part 1 - Form of notice to insurers		37
Part 2 - Form of acknowledgement from insurers		39
SCHEDULE 3		40
Part 1 - Form of notice to counterparties of Leases		40
Part 2 - Form of acknowledgement from counterparties of Leases		42
SCHEDULE 4		43
Part 1 - Form of notice of charge to third party bank		43
Part 2 - Form of acknowledgement from third party bank		45

SECURITY AGREEMENT

DATE 8 September 2014

PARTIES

1 **POSITIVE CLOTHING (LONDON) LIMITED** whose registered number is 02722136 and registered office is 13 Station Road, Finchley, London N3 2SB (the "**Chargor**"), and

2 **MATTHEW MILLER** of 40 Uphill road, London NW7 4PP (the "**Lender**")

IT IS AGREED as follows

1 **DEFINITIONS AND INTERPRETATION**

Unless otherwise provided in this Deed, terms defined in the Facility Letter shall have the same meaning where used in this Deed

1 1 **Definitions**

In this Deed, unless the context otherwise requires

Accounts: means all accounts and all moneys from time to time standing to the credit (including any interest thereon) of the Blocked Accounts and all accounts and all rights in relation thereto, with any bank, financial institution or other person in any jurisdiction now or at any time hereafter (and from time to time) owned, operated or held by the Chargor or in which the Chargor has an interest,

Administrator: means a person appointed in accordance with schedule B1 to the Insolvency Act 1986 to manage the Chargor's affairs, business and property,

Blocked Accounts: means the following accounts held by Lloyds TSB Commercial Finance Limited

(a) the Chargor's Sterling account with account number· 00002975 and sort-code 30-15-99, and

(b) the Chargor's Euro account with account number 59007594 and sort-code 30-12-18

Charged Assets: means all the assets for the time being subject to the Security Interests created by this Deed (and references to the Charged Assets include references to any part of it),

Debts: means all book and other debts of any kind whatsoever now or at any time due, owing or payable to the Chargor or in which the Chargor has an interest and the proceeds of the same, including the benefit of any judgment or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same,

Equipment: means all equipment, plant, machinery, tools, vehicles, furniture and other tangible moveable property now or at any time hereafter (and from time to time) owned by the Chargor, and any part thereof, together with the benefit of all contracts and warranties relating to the same,

Event of Default: has the meaning given to such term in the Facility Letter;

Facility Letter: means the facility letter dated on or about the date hereof and made between the Chargor and the Lender,

Finance Documents: means the "**Finance Documents**" under and as defined in the Facility Letter,

Floating Charge Assets: means all the assets for the time being subject to the floating charge created by this Deed (and references to the Floating Charge Assets include references to any part of it),

Goodwill: means all goodwill now or at any time hereafter (and from time to time) of or in the Chargor,

Insurance Policies: means all contracts and policies of insurance or assurance (including any insurance relating to the Properties, the Equipment or any other Charged Asset) and all moneys payable under or pursuant to such policies and all rights and interests in such contracts and policies including the right to the refund of any premium, in each case, now or at any time hereafter (and from time to time) owned or taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest,

Intellectual Property: means all interests in respect of any patent (including supplementary protection certificates), trade mark, service mark, trade name, registered design, design right, copyright, know-how, utility model, topographical or similar right, moral right, invention, confidential information, trade secret, database right, right in passing off and any other right in intellectual property subsisting anywhere in the world in any of the foregoing whether registered or unregistered and in each case, any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by the Chargor or (to the extent of its interest) in which the Chargor has an interest,

Invoices: means any invoice issued to a debtor of the Chargor (a "**Debtor**") or any present, future or contingent payment obligation (including any tax) of a Debtor due in relation to any contract of sale between the Chargor and the relevant Debtor;

Leases: means any occupational lease or licence or right of occupation to which the Properties (or any part of the same) may be subject from time to time,

LPA: means the Law of Property Act 1925,

Other Rights: means the rights, title and interest to any agreement, licence, consent or authorisation relating to the business of the Chargor or any Charged Assets at any time not otherwise mortgaged, charged or assigned pursuant to Clauses 3 1 1 to 3 1 5 inclusive,

Properties: means all estates or interests in any freehold and leasehold properties (whether registered or unregistered) and all commonhold or other immoveable properties now or at any time hereafter (and from time to time) owned by the Chargor wheresoever situate and all buildings, structures and fixtures and the proceeds of sale of all or any part thereof (including the properties which are briefly described at Schedule 1 (*Properties currently owned*)),

Property Interests: means all interests in or over the Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties, in each case, now or at any time hereafter (and from time to time) owned or held by the Chargor,

Receiver: means a person appointed by the Lender to be a receiver or receiver and manager or (if permitted by law) an administrative receiver of all or any part of the Charged Assets of the Chargor,

Rental Income: means the aggregate of all amounts payable to or for the account of the Chargor in connection with the letting of all or part of the Property including (but not limited to) each of the following amounts

(a) rent (and any amount equivalent to rent) payable,

(b) any increase of rent payable by virtue of an offer falling within the proviso of Section 3(1) of the Landlord and Tenant Act 1927,

(c) any rent payable by virtue of a determination made by the Court under Section 24(A) – 24(D) of the Landlord and Tenant Act 1954,

(d) any sum received from any deposit held as security for performance of any tenant's obligations,

Secured Liabilities: means all present and future moneys, obligations and liabilities owed by the Chargor to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever under or in connection with the Finance Documents,

Securities: means all stocks, shares, loan capital, securities, bonds and investments of any kind whatsoever now or at any time hereafter (and from time to time) owned by the Chargor, or in which the Chargor has an interest, together with all allotments offered or arising in respect thereof or incidental thereto and all stocks, shares, loan capital, securities, bonds, investments, rights, income, money or property accruing, deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange, capital reorganisation, conversion, redemption, bonus, rights, preference, option or otherwise in respect thereof,

Security Interest: means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect,

Securities Issuer: means the issuer of any Securities which are charged to the Lender pursuant to this Deed,

Security Period: means the period starting on the date of this Deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full, and

Uncalled Capital: means all the uncalled capital now or at any time hereafter (and from time to time) of the Chargor

1 2 **Construction**

1 2 1 In this Deed (unless the context requires otherwise) any reference to.

(a) the Chargor, the Lender, any Administrator or Receiver or any other person shall be construed so as to include their successors in title, permitted assigns, permitted transferees and (in the case of any Administrator or Receiver) lawful substitutes and/or replacements,

(b) an "**amendment**" includes a supplement, restatement, variation, novation or re-enactment (and "**amended**" is to be construed accordingly),

(c) a Finance Document, or any other agreement or instrument is a reference to that Finance Document, or other agreement or instrument as amended (however fundamentally, including any amendment providing for any increase in the amount of any facility or other liability) from time to time with the agreement of the relevant parties and (where such consent is, by the terms of this Deed or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior consent of the Lender,

(d) any reference to the Security Interests constituted by this Deed becoming "**enforceable**" shall mean that the Security Interests created under this Deed have become enforceable under Clause 11 1 (*Enforcement events*),

(e) "**including**" means "**including without limitation**";

(f) "**owned**" includes having legal or equitable title to or a right to have legal or equitable title transferred,

(g) a "**law**" includes a reference to the common law, any statute, bye-law, regulation or instrument and any kind of subordinate legislation, and any order, requirement, code of practice, circular, guidance note, licence, consent or permission made or given pursuant to any of the foregoing,

(h) a provision of law is a reference to that provision as amended or re-enacted from time to time,

(i) a time of day is a reference to London time,

(j) any gender includes a reference to the other genders,

(k) the singular includes a reference to the plural and vice versa, and

(l) a Clause or Schedule is to a Clause or Schedule (as the case may be) of or to this Deed

1 2 2 Clause and Schedule headings are for ease of reference only

1 3 **Nature of security over real property**

A reference in this Deed to any freehold, leasehold or commonhold property includes:

1 3 1 all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property,

1 3 2 the proceeds of sale of any part of that property, and

1 3 3 the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any monies paid or payable in respect of those covenants

1 4 **Secured Liabilities**

References in this Deed to the Secured Liabilities shall be construed in relation to the Finance Documents so as to include (i) any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used, (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made available thereunder, (iii) any rescheduling of the indebtedness incurred thereunder whether in isolation or in connection with any of the foregoing and (iv) any combination of any of the foregoing

2 **COVENANT TO PAY; FURTHER ADVANCES**

2 1 **Covenant to pay**

The Chargor hereby covenants with the Lender that it will on demand pay and discharge all Secured Liabilities owing or incurred from or by it to the Lender and when the same become due whether by acceleration or otherwise, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Lender in relation to any such Secured Liabilities or generally in respect of the Chargor.

2 2 **Potential invalidity**

Neither the covenant to pay in Clause 2 1 (*Covenant to pay*) nor the Security Interests constituted by this Deed shall extend to or include any liability or sum which would, but for this Clause, cause such covenant or Security Interests to be unlawful under any applicable law

2 3 **Further advances**

This Deed secures further advances made under or pursuant to the terms of the Finance Documents and the Lender is, subject to and upon the terms and conditions of the Finance Documents, under an obligation to make further advances

3 GRANT OF SECURITY

3 1 Fixed security

As a continuing security for the payment or discharge of the Secured Liabilities, the Chargor with full title guarantee hereby

3 1 1 grants to the Lender, a charge by way of legal mortgage over all its Properties which are listed in Schedule 1 (*Properties currently owned*);

3 1 2 charges to the Lender, by way of first fixed charge, all its

(a) Properties acquired by it after the date of this Deed,

(b) Property Interests,

(c) Invoices and all cash in respect thereof,

(d) Equipment,

(e) Securities,

(f) Intellectual Property,

(g) Debts,

(h) Accounts;

(i) Goodwill and Uncalled Capital; and

(j) Other Rights,

3 1 3 assigns to the Lender absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies;

3 1 4 assigns to the Lender absolutely, subject to a proviso for reassignment on redemption, all of its rights, title and interest in and to -

(a) the Rental Income, and

(b) any guarantee of Rental Income contained in or relating to any of the Properties

3 1.5 assigns to the Lender absolutely, subject to a proviso for reassignment on redemption, the benefit of the Leases to which it is a party and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Leases.

3 2 **Floating Security**

3 2 1 **Floating Charge**

As a continuing security for the payment or discharge of the Secured Liabilities, the Chargor with full title guarantee hereby charges to the Lender, by way of first floating charge, all of its undertaking, property, assets and rights at any time (a) not effectively mortgaged, charged or assigned pursuant to Clauses 3 1 1 to 3 1 5 inclusive above and (b) situated in Scotland

3 2 2 **Qualifying floating charge**

Paragraph 14 of schedule B1 to the Insolvency Act 1986 (as inserted by section 248 of, and schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this Deed

3 2 3 **Conversion of floating charge by notice**

Notwithstanding anything express or implied in this Deed (save for Clause 3 2 6 (*Small company moratorium*) below), if

(a) an Event of Default has occurred, or

(b) the Lender considers (in its sole discretion) that any Charged Assets are in jeopardy,

the Lender may at any time thereafter, by notice to the Chargor, convert the floating charge created by this Deed with immediate effect into a fixed charge over all or any of the Floating Charge Assets of the Chargor (but without prejudice to the Lender's rights to serve a notice in respect of any

other Floating Charge Assets and any other rights of the Lender whatsoever)

3 2.4 **Assets acquired after any floating charge conversion**

Any asset acquired by the Chargor after any conversion of the floating charge created under this Deed, in accordance with Clause 3 2 3 (*Conversion of floating charge by notice*) above which but for such conversion would be subject to a floating charge shall, (unless the Lender confirms in writing to the contrary) be charged to the Lender by way of first fixed charge.

3 2 5 **Reconversion of fixed charge assets into floating charge assets**

The Lender may at any time after any conversion of the floating charge created under this Deed over any Charged Assets into a fixed charge in accordance with Clause 3 2 3 (*Conversion of floating charge by notice*) reconvert such fixed charge into a floating charge by notice to the Chargor

3 2 6 **Small company moratorium**

The floating charge created under this Deed may not be converted into a fixed charge solely by reason of

(a) the obtaining of a moratorium, or

(b) anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),

under section 1A to the Insolvency Act 1986

3 3 **Title documents**

The Chargor shall on the execution of this Deed (or, if later, the date of acquisition of the relevant Charged Assets) deposit with the Lender (and the Lender shall during the continuance of this security be entitled to hold)

3 3 1 all deeds and documents of title relating to the Charged Assets which are in its possession or control (and, if not within its possession and/or control,

the Chargor hereby undertakes to obtain possession of such deeds and documents of title),

3 3 2 all insurance policies relating to any of the Charged Assets to which policies it is entitled to possession, and

3 3 3 all certificates relating to the Securities and such instruments of transfer in blank and other documents as the Lender may from time to time require

3 4 **Security notices**

The Chargor shall immediately upon the execution of this Deed

3 4 1 give notice in the form set out in Part 1 of Schedule 2 (*Form of notice to insurers*) to the relevant insurers of the assignment pursuant to Clause 3 1 3 of its rights and interest in and under the Insurance Policies and use all reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in Part 2 of Schedule 2 (*Form of acknowledgement from insurers*),

3 4 2 give notice in the form set out in Part 1 of Schedule 3 (*Form of notice to counterparties of Lease/Assigned Agreement*) in respect of each Lease assigned pursuant to Clause 3 1 5 or, in the event that a Lease has not yet been entered into, to provide such notice immediately on the date of entry into the relevant Lease, and use all reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in Part 2 of Schedule 3 (*Form of acknowledgement from tenant/counterparty*),;

3 4 3 give notice in the form set out in Part 1 of Schedule 4 (*Form of notice of assignment to third party bank*) to any bank, financial institution or other person of charging to the Lender pursuant to Clause 3 1 2(h) of its rights and interests under such accounts and use all reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in Part 2 of Schedule 4 (*Form of acknowledgement from third party bank*)

4 RESTRICTIONS ON DEALING

4.1 Negative pledge and restriction on disposal

The Chargor hereby covenants with the Lender that it will not at any time except in accordance with the terms of the Facility Letter

4 1 1 create or purport to create or permit to subsist any Security Interest on or in relation to the Charged Assets other than this Deed, or

4 1 2 enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, surrender or otherwise dispose of or cease to exercise control of all, or any part of any interest in any Charged Assets, except (in the case of Charged Assets charged by way of floating charge) in the ordinary course of its business and for the purpose of carrying on that business.

4 2 Land Registry restriction

4 2.1 In respect of any Property or part of an interest in any Property, title to which is registered at the Land Registry, the Chargor hereby consents to the entry of the following restriction on the register of its title to such Property·

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [•] in favour of MATTHEW MILLER referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or other authorised signatory [or conveyancer] "

4 2 2 The Chargor authorises the Lender to make any application which the Lender deems appropriate for the designation of this Deed, the Facility Letter or any other Finance Document as an exempt information document under rule 136 of the Land Registration Rules 2003 and will use its best endeavours to assist with any such application made by or on behalf of the Lender The Chargor will notify the Lender in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration

Rules 2003 for the disclosure of this Deed, the Facility Letter or any other Finance Document, following its designation as an exempt information document and will not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document

5. ACCOUNTS

5 1 Accounts

5 1 1 All Accounts must be maintained with a bank or financial institution as agreed with the Lender

5.1 2 No Account may be overdrawn at any time

5 1 3 The Chargor shall not open or procure the opening of any Account unless permitted under the Facility Letter or with the prior written consent of the Lender

5 1 4 Any cash pooling, netting or similar arrangements entered into or to be entered into by the Chargor in respect of any Account must be on terms which have been approved by the Lender

5 2 Withdrawals

5 2 1 After the security constituted by this Deed has become enforceable, the Chargor shall comply with any notice served by the Lender on the Chargor prohibiting it from withdrawing all or any monies from time to time standing to the credit of any of its Accounts except with the prior consent of the Lender

6 PROPERTIES

The Chargor hereby covenants with the Lender that it will

6 1 **Maintenance and insurance**

keep all buildings on each Property and all fixtures belonging to it thereon and therein in good and substantial repair and condition and insure and keep insured all such buildings and fixtures on such terms as required by the Lender,

6 2 **Preservation of property, fixtures and equipment**

not without the prior consent of the Lender

6 2 1 pull down or remove the whole or any part of any buildings forming part of any Property,

6 2 2 make any alterations to any Property; or

6 2.3 sever or unfix or remove any of the fixtures thereto nor (except for the purpose of effecting necessary repairs thereto or of replacing the same with new or improved models or substitutes) remove or make any alterations to any of the Equipment thereon or therein belonging to it or in use by it and will whenever any of the said Equipment is destroyed or damaged or deteriorates forthwith repair, replace and make good the same,

6 3 **Conduct of business on Properties**

carry on its trade and business on such parts (if any) of the Properties as are now or may hereafter be used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business,

6 4 **Information**

6 4 1 within five Business Days after becoming aware thereof give full particulars to the Lender of any notice, order, direction, designation, resolution or proposal having specific application to any Property or to the locality in which it is situated given or made by any planning authority or other public body or authority whatsoever, and

6 4 2 (if the Lender so requires) forthwith and at the cost of the Chargor take all reasonable and necessary steps to comply with any such notice, order, direction, designation or resolution and make or join with the Lender in

making such objections or representations in respect of any such proposal as the Lender may desire,

6 5 **Compliance with obligations**

6 5 1 observe and perform all covenants, stipulations and conditions to which each Property or the user thereof is now or may hereafter be subjected,

6 5 2 perform and observe all covenants and conditions on its part contained in any lease, agreement for lease, licence or other agreement under which any Property or part of any Property is held, and

6.5 3 promptly pay all taxes, fees, duties, rates, charges and other outgoings in respect of the Properties and if so requested by the Lender produce evidence of payment to the Lender,

6 6 **Maintenance of interests in Properties**

not without the prior consent of the Lender

6 6 1 grant or agree to grant any licence or tenancy affecting any Property or part of a Property,

6 6 2 exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by Sections 99 or 100 of the Law of Property Act 1925,

6 6 3 in any other way dispose or agree to dispose of or surrender or create any legal or equitable estate or interest in any Property or any part thereof,

6 7 **Registration restrictions**

procure that no person shall be registered under the Land Registration Act 2002 as proprietor of any Property or any part thereof without the prior consent of the Lender and the Chargor shall be liable for the costs incurred by the Lender in lodging, from time to time, cautions against first registration of the title to any Property or any part thereof,

6 8 **Development restrictions**

not without the prior consent of the Lender carry out or permit or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 or change or permit or suffer to be changed the user of any Property,

6 9 **Environment**

properly discharge all duties of care and responsibility placed upon it by Environmental Law and observe and perform all the requirements of Environmental Law both in the conduct of its general business and in the management possession or occupation of each Property and apply for and obtain all authorisations necessary to ensure that it does not breach Environmental Law,

6 10 **No Restrictive Obligations**

not without the prior consent of the Lender enter into any onerous or restrictive obligations affecting any Property or any part thereof or create or permit to arise any overriding interest or easement or right whatever in or over any Property or any part thereof,

6 11 **Proprietary rights**

procure that no person shall become entitled to assert any proprietary or other like right or interest over any Property or any part thereof without the prior consent of the Lender,

6 12 **Inspection**

permit the Lender, any Administrator and any Receiver (as each of those terms is defined in Clause 12 1 (*Appointment of Administrator or Receiver*)) and any person appointed by either of them to enter upon and inspect any Property upon reasonable prior notice, and

6 13 **Property acquisitions**

if it acquires any freehold or leasehold property, whether registered or unregistered·

6 13 1 inform the Lender promptly of such acquisition,

6 13 2 immediately on request by the Lender and at the cost of the Chargor, execute and deliver to the Lender a legal mortgage in favour of the Lender of that property, in such form as the Lender may require (or such other Security Interests in the jurisdiction where such property is located as the Lender may require), and

6 13 3 comply with all registration requirements resulting from the acquisition of such property and the creation of Security Interests over such property pursuant to this Deed and the legal mortgage (or other Security Interests) referred to above,

7. EQUIPMENT

The Chargor hereby covenants with the Lender as follows

7 1 Maintenance of equipment

to maintain the Equipment in good and serviceable condition (fair wear and tear excepted),

7 2 Payment of equipment taxes

promptly to pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and on demand produce evidence thereof to the Lender,

7 3 Equipment information

to give the Lender such information concerning the location, condition, use and operation of the Equipment as the Lender may reasonably require and to permit any persons designated by the Lender at all reasonable times to inspect and examine the Equipment and the records maintained in connection therewith,

7 4 Equipment insurance

at its expense, procure that the Equipment shall be covered and kept covered by insurance in accordance with the terms of the Facility Letter,

7.5 **Notice of Charge**

if so requested by the Lender, place and maintain on each item of Equipment, in a conspicuous place, a clearly legible identification plate containing the following wording

"NOTICE OF CHARGE

This [*description of item*] and ancillary equipment is subject to a fixed charge dated [●] in favour of MATTHEW MILLER "

8 **INVOICES**

The Chargor hereby covenants with the Lender as follows

8 1 to send on the Lender's request, details of all Invoices, including the identity of the Debtor, the amount owing and the due date for payment,

8 2 to not compromise, compound or release the Invoices, exercise (or allow any other person to exercise) set off against them or otherwise deal or dispose of the Invoices,

8 3 to not waive any right of recovery or do or omit to do anything which may delay or prejudice recovery under any Invoice,

8 4 to not extend the due date of payment of any Invoice (other than by way of normal trade credit in the ordinary course of business),

8 5 to not assign, factor or discount any of the Invoices,

8 6 to collect the Invoices in the ordinary course of business or in accordance with any directions given by the Lender from time to time,

8 7 if requested by the Lender, to open such bank accounts in the name of the Chargor with such mandates as the Lender may specify, and if requested by the Lender, to procure that all remittances in respect of the Invoices are paid into such bank accounts and only deal with the monies in any such account in accordance with the written directions of the Lender from time to time, and

8 8 on the Lender's request, to execute an assignment of any Invoices in such form as the Lender may require and serve notice in the form agreed by the Lender on the relevant debtors

9 REPRESENTATIONS AND WARRANTIES

9 1 Representations and warranties

The Chargor represents and warrants to the Lender as follows

9 1 1 it is and will remain the legal and beneficial owner of the Charged Assets;

9 1 2 the Charged Assets are free from any Security Interests other than the Security Interests created by the Finance Documents;

9 1 3 it has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in it,

9 1 4 there is no breach of any law or regulation which materially adversely affects the Charged Assets,

9 1 5 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which materially adversely affect the Charged Assets;

9 1 6 no facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use,

9 1 7 nothing has arisen or has been created or is subsisting which would be an overriding interest in any Property,

9 1 8 all authorisations required for the Chargor's entry into this Deed have been obtained and are in full force and effect,

9 1 9 there is no prohibition on assignment in any insurances, agreements or authorisations referred to in Clause 3 1 3 to 3 1 5 (inclusive), or the relevant clauses of them as the case may be, and the Chargor's entering into this Deed will not constitute a breach of any such insurances, agreements or authorisations,

9 1 10 the Chargor has at all times complied in all material respects with all applicable Environmental Law, and

9 1 11 this Deed creates the Security Interests it purports to create and is not liable to be amended or otherwise set aside on its liquidation or otherwise

9 2 **Repetition**

The representations and warranties set out in Clause 9 1 (*Representations and warranties*) will be deemed to be repeated by the Chargor on each day of the Security Period by reference to the facts and circumstances then existing

9 3 **Notice of breach**

The Chargor will promptly upon becoming aware of the same give the Lender notice in writing of any breach of any representation or warranty set out in Clause 9.1 (*Representations and warranties*)

10 **POWER TO REMEDY**

If the Chargor is at any time in breach of any of its obligations contained in this Deed, the Lender shall be entitled (but shall not be bound) to remedy such breach and the Chargor hereby irrevocably authorises the Lender and its agents to do all such things necessary or desirable in connection therewith The Chargor shall be liable to the Lender for the expenses of the Lender in so doing together with interest at the default rate as set out at clause 9 of the Facility Letter from the date of payment by the Lender until the date of repayment. The rights of the Lender contained in this Clause 10 are without prejudice to any other rights of the Lender hereunder The exercise by the Lender of its rights under this Clause shall not make the Lender liable to account as a mortgagee in possession

11 **ENFORCEMENT**

11 1 **Enforcement events**

The security constituted by this Deed shall become immediately enforceable if an "Event of Default" (under and as defined the Facility Letter) occurs

After the security constituted by this Deed has become enforceable, the powers of sale under the LPA and all other powers of the Lender shall immediately be exercisable and

the Lender may in its absolute discretion enforce all or any part of the security once created by this Deed as it see fit

11 2 **Statutory power of sale**

The statutory power of sale shall arise on and be exercisable at any time after the execution of this Deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose), provided that the Lender shall not exercise such power of sale until the security constituted by this Deed has become enforceable

11 3 **Extension of statutory powers**

11 3 1 Any restriction imposed by law on the power of sale (including under section 103 of the LPA) or the right of a mortgagee to consolidate mortgages (including under section 93 of the LPA) does not apply to the security constituted by this Deed and the Lender or any Receiver shall have the right to consolidate all or any of the security constituted by this Deed with any other Security Interests in existence at any time and to make any applications to the Land Registry in support of the same

11 3 2 Any powers of leasing conferred on the Lender or any Receiver by law are extended so as to authorise the Lender or any Receiver to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender or Receiver may think fit and without the need to comply with any restrictions conferred by law (including under section 99 or 100 of the LPA)

11.4 **No obligation to enquire**

No person dealing with the Lender, any Administrator or any Receiver appointed hereunder, or its agents or brokers, shall be concerned to enquire.

11 4 1 whether the security constituted by this Deed has become enforceable,

11 4.2 whether any power exercised or purported to be exercised has become exercisable,

11 4 3 whether any money remains due under the Finance Documents,

11 4.4 as to the necessity or expediency of the stipulations and conditions subject to which any sale of any Charged Assets shall be made, or otherwise as to the propriety or regularity of any sale of any of the Charged Assets, or

11 4 5 any money paid to the Lender, Administrator or Receiver, or its agents or brokers is to be applied

11 5 **No liability as mortgagee in possession**

None of the Lender, any Administrator or any Receiver shall be liable

11.5 1 to account as mortgagee in possession in respect of all or any of the Charged Assets,

11 5 2 for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets for which a mortgagee in possession might as such be liable

11 6 **Power to dispose of chattels**

After the security constituted by this Deed has become enforceable, the Lender, any Administrator or any Receiver may dispose of any chattels or produce found on any Property as agent for the Chargor and, without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, the Lender, the Administrator or the Receiver shall be indemnified by the Chargor against any liability arising from such disposal

11 7 **Redemption of Prior Security Interests**

At any time after the security constituted by this Deed shall have become enforceable the Lender may

11 7 1 redeem any prior Security Interests,

11 7 2 procure the transfer thereof to itself, and/or

11 7 3 may settle and pass the accounts of the prior encumbrancer and any account so settled and passed shall be conclusive and binding on the Chargor and all monies paid by the Lender to the prior encumbrancer in

accordance with such accounts shall as from such payment be due from the Chargor to the Lender on current account and shall bear interest and be secured as part of the Secured Liabilities.

12 ADMINISTRATOR AND RECEIVER

12 1 Appointment of Administrator or Receiver

At any time after

(a) the security constituted by this Deed becomes enforceable,

(b) any corporate action or any other steps are taken or legal proceedings started by or in respect of the Chargor with a view to the appointment of an Administrator, or

(c) at the request of the Chargor,

the Lender may without further notice, under seal or by writing under hand of a duly authorised officer of the Lender

12 1 2 appoint any person or persons to be an Administrator of the Chargor; or

12 1 3 appoint any person or persons to be a Receiver of all or any part of the Charged Assets of the Chargor, and

12 1 4 (subject to Section 45 of the Insolvency Act 1986) from time to time remove any person appointed to be Receiver and appoint another in his place

12 2 More than one appointment

Where more than one person is appointed Administrator or Receiver, they will have power to act separately (unless the appointment by the Lender specifies to the contrary)

12 3 Additional powers

12 3 1 The powers of appointing an Administrator or a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986 and the LPA or otherwise and shall be

exercisable without the restrictions contained in Section 109 of the LPA or otherwise

12 3 2 The power to appoint an Administrator or a Receiver (whether conferred by this Deed or by statute) shall be and remain exercisable by the Lender notwithstanding any prior appointment in respect of all or any part of the Charged Assets

12 4 **Agent of the relevant Chargor**

12 4 1 Any Administrator or Receiver shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts and remuneration as well as for any defaults committed by him

12 4 2 The Lender will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of an Administrator or Receiver

13 **POWERS OF ADMINISTRATOR AND RECEIVER**

A Receiver shall have (and shall be entitled to exercise), in relation to the Charged Assets over which he is appointed, and an Administrator shall have in addition to the powers he enjoys under Schedule B1 to the Insolvency Act 1986, the following powers (as the same may be varied or extended by the provisions of this Deed)

13 1 (in respect of a Receiver) all of 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),

13 2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA,

13 3 all of the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which the Chargor itself could do or omit to do; and

13 4 the power to do all things which, in the opinion of the Administrator or Receiver (as appropriate) are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Administrator or Receiver pursuant to this Deed or upon receivers by statue or law generally (including the bringing or defending of proceedings

in the name of, or on behalf of, the Chargor, the collection and/or realisation of Charged Assets in such manner and on such terms as the Administrator or Receiver sees fit; and the execution of documents in the name of the Chargor (whether under hand, or by way of deed or by utilisation of the company seal of the Chargor))

13 5 **Power to repair and develop the Property**

to undertake or complete any works of repair, building or development on the Property,

13 6 **Power to surrender leases**

to grant or to accept surrenders of any leases or tenancies affecting any Property upon such terms and subject to such conditions as he thinks fit,

13 7 **Power to employ**

to provide services and employ or engage such managers, contractors and other personnel and professional advisors on such terms as he deems expedient,

13 8 **Power to make VAT elections**

to make such elections for value added tax purposes as he thinks fit,

13 9 **Power to charge for remuneration**

to charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Lender may prescribe or agree with him,

13.10 **Power to realise Charged Assets**

to collect and get in such Charged Assets or any part thereof and for that purpose to make such demands and take any proceedings as may seem expedient and to take possession of such Charged Assets with like rights;

13 11 **Power to manage**

to carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Chargor,

13 12 **Power to dispose of Charged Assets**

to grant options and licences over all or any part of such Charged Assets, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of such Charged Assets in such manner and generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of the Chargor) and to carry any such sale, assignment, leasing or surrender into effect Any such sale may be for such consideration as he shall think fit and he may promote or concur in promoting a company to purchase the property to be sold,

13 13 **Power to make settlements**

to make any arrangement, settlement or compromise between the Chargor and any other person which he may think expedient,

13 14 **Power to improve Equipment**

to make and effect such substitutions of or improvements to the Equipment as he may think expedient,

13 15 **Power to make calls on company members**

to make calls conditionally or unconditionally on the members of the Chargor concerned in respect of the uncalled capital with such and the same powers for that purpose and for the purpose of enforcing payments of any calls so made as are conferred by the constitutional documents of the Chargor concerned on its members in respect of calls authorised to be made by them,

13.16 **Power to appoint**

to appoint managers, officers, servants, workmen and agents for the aforesaid purposes at such salaries and for such periods and on such terms as he may determine;

13 17 **Power to insure**

if he thinks fit, but without prejudice to the indemnity contained in Clause 17 (*Costs and Indemnity*), to effect with any insurer any policy or policies of insurance either in lieu or satisfaction of or in addition to such indemnity,

13.18 **Powers under statute**

to exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed thereunder and to exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986,

13 19 **Power to borrow**

for any of the purposes authorised by this Clause to raise money by borrowing from the Lender or from any other person on the security of all or any of the Charged Assets in respect of which he is appointed upon such terms (including, if the Lender shall consent, terms under which such security ranks in priority to this Deed) as he shall think fit,

13 20 **Power to redeem prior Security Interests**

to redeem any prior Security Interest and to settle and pass the accounts to which the Security Interest relates and any accounts so settled and passed will be conclusive and binding on the Chargor and the moneys so paid will be deemed to be an expense properly incurred by him,

13 21 **Incidental powers**

to do all such other acts and things as he may consider to be incidental or conducive to any of the matters or powers aforesaid or which he lawfully may or can do as agent for the Chargor, and

13 22 **Scope of powers**

to exercise any of the above powers on behalf of the Chargor or on his own behalf or in the case of the power contained in Clause 13 15 (*Power to make calls on company members*) on behalf of the directors of the Chargor

14 AMOUNTS RECEIVED

14 1 Application of proceeds

The Receiver shall apply all monies received by him (other than insurance monies)

14 1 1 first in paying all rents, taxes, rates and outgoings affecting any Charged Assets,

14.1 2 secondly in paying all costs, charges and expenses of and incidental to his appointment and the exercise of his powers and all outgoings paid by him,

14 1 3 thirdly in paying his remuneration (as agreed between him and the Lender),

14 1 4 fourthly in or towards discharge of the Secured Liabilities in such order and manner as provided for in the Finance Documents on a pari passu basis, and

14 1.5 finally in paying any surplus to the Chargor or any other person entitled to it

14 2 Section 109(8) Law of Property Act 1925

Neither the Lender nor any Receiver or Administrator shall be bound (whether by virtue of Section 109(8) of the LPA, which is hereby varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities

14.3 Currencies of denomination

For the purpose of or pending the discharge of any of the Secured Liabilities the Lender may convert any monies received, recovered or realised by the Lender under this Deed from their existing denominations and/or currencies of denomination into such other denominations and/or currencies of denomination as the Lender may think fit and any such conversion shall be effected at the then prevailing spot selling rate of exchange of any such UK clearing bank nominated by the Lender

14 4 **Suspense account**

All monies received, recovered or realised by the Lender under this Deed may at the discretion of the Lender be credited to any interest bearing suspense or impersonal account and may be held in such account for so long as the Lender thinks fit pending the application from time to time (as the Lender shall be entitled to do as it may think fit) of such monies and accrued interest thereon (if any) in or towards the discharge of any of the Secured Liabilities

15 **POWER OF ATTORNEY AND DELEGATION**

15 1 **Power of attorney**

The Chargor hereby by way of security irrevocably appoints the Lender and (jointly and severally) each and every Administrator or Receiver of this Deed to be the attorney of the Chargor and in its name and on its behalf and as its act and deed or otherwise to sign, execute, seal, deliver, complete any blanks in and otherwise perfect any deed, transfer, assurance, agreement, instrument or act which such Administrator or Receiver or the Lender may consider expedient in the exercise of any of his or its powers or in respect of the Chargor's obligations under this Deed The power of attorney hereby granted is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971

15 2 **Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm:

15 2 1 all transactions entered into by the Lender and/or any Administrator or Receiver in the proper exercise of its or their powers in accordance with this Deed, and

15 2 2 all transactions entered into by the Lender and/or any Administrator or Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, document or other act

15 3 **Delegation**

The Lender and any Administrator or Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this Deed (including the power of attorney), on such terms and conditions as it or he shall see fit which shall not preclude exercise of these powers, authorities or discretions by it or him or any revocation of the delegation or subsequent delegation

16 **PROTECTION OF SECURITY AND FURTHER ASSURANCE**

16 1 **Independent security**

This Deed shall be in addition to and independent of every other security or guarantee which the Lender may at any time hold for any of the Secured Liabilities and it is hereby declared that no prior security held by the Lender over the whole or any part of the Charged Assets shall merge in the security created by this Deed

16 2 **Continuing security**

This Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or discharge in whole or in part

16 3 **Rights Cumulative**

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

16 4 **No Chargor set-off**

The Chargor waives any right of set-off it may have now or at any time in the future in respect of the Secured Liabilities (including sums payable by the Chargor under this Deed)

16 5 **Further assurance**

16.5 1 The Chargor must, promptly upon request by the Lender or any Receiver or Administrator, at its own expense, take whatever action the Lender or a Receiver or Administrator may require for

(a) creating, perfecting or protecting any security intended to be created by or pursuant to this Deed,

(b) facilitating the realisation of any Charged Asset,

(c) exercising any right, power or discretion conferred on the Lender, or any Receiver or any Administrator or any of their respective delegates or sub-delegates in respect of any Charged Asset, or

(d) creating and perfecting security in favour of the Lender (equivalent to the security intended to be created by this Deed) over any assets of the Chargor located in any jurisdiction outside England and Wales

16 5 2 This includes

(a) the re-execution of this Deed,

(b) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Lender or to its nominee, and

(c) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender (or the Receiver or Administrator, as appropriate) may think expedient

17 **COSTS AND INDEMNITY**

17 1 The Chargor shall pay to the Lender on demand the amount of all costs, expenses or liabilities which the Lender may incur in perfecting or enforcing the security created by

this Deed (or attempting to do so), together with interest thereon at the rate specified at clause 9 of the Facility Letter

17 2 The Chargor hereby agrees to indemnify and hold harmless the Lender, any Administrator and any Receiver from and against all actions, claims, expenses, demands and liabilities whether arising out of contract or in tort or in any other way incurred or which may at any time be incurred by him or by any manager, agent, officer, servant or workman for whose debt, default or miscarriage he may be answerable for anything done or omitted to be done in the exercise or purported exercise of his powers under the provisions of this Deed or pursuant hereto.

18 MISCELLANEOUS

18 1 Certificates conclusive

A certificate or determination by the Lender as to any amount or rate under this Deed shall be conclusive evidence of that amount or rate in the absence of any manifest error

18 2 Severability

If any of the provisions of this Deed is or becomes invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected or impaired thereby

18 3 Section 2(1) Law of Property (Miscellaneous Provisions) Act 1989

The terms of the Finance Documents and of any side letters between any parties in relation to the Finance Documents are incorporated in this Deed to the extent required to ensure that any purported disposition of the Charged Assets contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

18 4 Third party rights

A third party (being any person other than the Chargor and the Lender and their permitted successors and assigns) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed

18.5 **Perpetuity period**

The perpetuity period applicable to all trusts declared by this Deed shall be 80 years

18.6 **Trustee Act 2000**

The Chargor and the Lender agree that the Lender shall not be subject to the duty of care imposed on the trustees by the Trustee Act 2000.

19 **DEMANDS AND NOTICES**

Any demand, notice, consent or communication to be made or given by or to the Chargor or the Lender under or in connection with this Deed shall be made and delivered as provided in clause 13 (*Notices*) of the Facility Letter. Any demand on the Chargor shall be validly made whether or not it contains an accurate statement of the amount of the Secured Liabilities

20. **ASSIGNMENT AND TRANSFER**

20.1 **Assignment by Lender**

The Lender may at any time without the consent of the Chargor, assign or transfer the whole or any part of its rights under this Deed to any person

20 2 **Assignment by the Chargor**

The Chargor may not assign any of its rights or transfer any of its obligations under this Deed or enter into any transaction which would result in any of these rights or obligations passing to another person

21 **RELEASE OF SECURITY**

21 1 **Release**

Subject to Clause 21 3 (*Discharge conditional*), upon the expiry of the Security Period (but not otherwise) the Lender shall at the request and cost of the Chargor, take whatever action is necessary to release the Charged Assets from the security constituted by this Deed

21 2 **Avoidance of payments and reinstatement**

If any payment by the Chargor or any discharge given by the Lender (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is (a) capable of being avoided or reduced (in the opinion of the Lender) or (b) avoided or reduced in each case as a result of insolvency or any similar event·

21 2 1 the liability of the Chargor will continue as if the payment, discharge, avoidance or reduction had not occurred,

21 2 2 the Lender will be entitled to recover the value or amount of that security or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred, and

21 2 3 the Lender shall be entitled to enforce this Deed subsequently as if such payment, discharge, avoidance or reduction had not occurred

21 3 **Discharge conditional**

Any release, discharge or settlement between the Chargor and the Lender shall be deemed conditional upon no payment or security received by the Lender in respect of the Secured Liabilities being avoided or reduced or ordered to be refunded pursuant to any provision of any enactment relating to insolvency, bankruptcy, winding-up, administration or receivership and, notwithstanding any such release, discharge or settlement

21.3 1 the Lender or its nominee shall be at liberty to retain this Deed and the security created by or pursuant to this Deed, including all certificates and documents relating to the Charged Assets or any part thereof, for such period as the Lender shall deem necessary to provide the Lender with security against any such avoidance or reduction or order for refund; and

21.3 2 the Lender shall be entitled to recover the value or amount of such security or payment from the Chargor subsequently as if such settlement, discharge or release had not occurred and the Chargor agrees with the Lender accordingly and charges the Charged Assets and the proceeds of sale thereof with any liability under this Clause, whether actual or contingent

21 4 **Reinstatement**

Any release, discharge or settlement between the Lender and the Chargor shall be subject to the condition that it shall be of no effect if any payment or discharge of any of the Secured Liabilities by the Chargor, the Chargor or any other person shall be avoided, invalidated or reduced by virtue of any enactment or rule of law If there should be any such avoidance, invalidation or reduction, the Lender shall be entitled to enforce this Deed subsequently as if the release, discharge or settlement had not occurred so as to recover from the Chargor the full value of the payment avoided, invalidated or reduced Similarly, any release, discharge or settlement in relation to this Deed which is avoided, invalidated or reduced by virtue of any enactment or rule of law shall not affect the right of the Lender to enforce any other security against the Chargor

22 **GOVERNING LAW**

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

23. **COUNTERPARTS**

This Deed may be executed in one or more counterparts all of which when taken together shall be deemed to constitute one and the same instrument

In Witness whereof this Deed has been executed by the Chargor and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Lender

SCHEDULE 2
Part 1
Form of notice to insurers

From [ ] (the "**Chargor**")

To [*insurer*]

[•] 201[•]

Dear Sirs

We refer to the [*describe policy and its number*] (the "**Policy**").

We hereby give notice that, pursuant to a security agreement dated [•] 201[•] (the "**Security Agreement**"), we have assigned to **MATTHEW MILLER** as Lender (as defined therein) (the "**Lender**") absolutely, subject to a proviso for reassignment on redemption, all our right, title, interest and benefit in and to the Policy

Until you are notified to the contrary by the Lender, you are authorised to deal with us in all matters relating to the Policy

Please sign and return to us the enclosed copy of this letter by way of acknowledgement of receipt and acceptance of its terms

This notice may only be revoked or amended with the prior written consent of the Lender

Please confirm by completing the enclosed acknowledgement and returning it to the Lender (with a copy to us) that

(a) you accept the instructions and authorisations contained in this notice,

(b) you have not, at the date this notice is returned to the Lender, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Policy and you will notify the Lender promptly if you should do so in future,

(c) you will pay or release all or part of the amounts from time to time due and payable by you under the Policy in accordance with the written instructions given to you by the Lender from time to time;

(d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without first giving 14 days' written notice to the Lender; and

(e) that the Lender's interest as mortgagee is noted on the Policy

This notice is governed by English law

Yours faithfully

for and on behalf of
[ ]

Part 2

Form of acknowledgement from insurers

From [*insurer*]

To **MATTHEW MILLER** (the "**Lender**")

[●] 201[●]

Dear Sirs

We acknowledge receipt of a notice dated [●] (the "**Notice**") and addressed to us by [ ] (the "**Chargor**") regarding the Policy (as defined in the Notice)

We acknowledge and confirm that

(a) we accept the instructions and authorisations contained in the Notice,

(b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Policy and we will notify the Lender promptly if you should do so in future,

(c) we will pay or release all or part of the amounts from time to time due and payable by us under the Policy in accordance with the written instructions given to us by the Lender from time to time,

(d) we will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without first giving 14 days' written notice to the Lender, and

(e) the Lender's interest as mortgagee is noted on the Policy

This letter is governed by English law

Yours faithfully

[*insurer*]

SCHEDULE 3
Part 1
Form of notice to counterparties of Leases

From: **[*Chargor*]**

To: [*tenant*]

[•] 201[•]

Dear Sirs

We refer to the [*described relevant Lease*] (the "**Assigned Agreement**")

We hereby notify you that pursuant to a security agreement dated [•] 201[•] (the "**Security Agreement**") we have assigned to **MATTHEW MILLER** as Lender (as defined therein) (the "**Lender**") absolutely, subject to a proviso for reassignment on redemption, all our right, title, interest and benefit in and to the Assigned Agreement.

We further notify you that

(a) we may not agree to amend, modify or terminate the Assigned Agreement without the prior written consent of the Lender,

(b) subject to paragraph (a) above you may continue to deal with us in relation to the Assigned Agreement until you receive written notice to the contrary from the Lender Thereafter we will cease to have any right to deal with you in relation to the Assigned Agreement and therefore from that time you should deal only with the Lender,

(c) you are authorised to disclose information in relation to the Assigned Agreement to the Lender on request,

(d) on notice from the Lender that the Security Agreement is enforceable, you must pay all monies to which we are entitled under the Assigned Agreement direct to the Lender (and not to us) unless the Lender otherwise agrees in writing, and

(e) the provisions of this notice may only be revoked with the written consent of the Lender

Please sign and return the enclosed copy of this notice to the Lender (with a copy to us) by way of confirmation that

(i) you agree to the terms set out in this notice and to act in accordance with its provisions, and

(ii) you have not received notice that we have assigned our rights under the Assigned Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Assigned Agreement in favour of a third party

This notice is governed by English law

Yours faithfully

for and on behalf of
[ ]

Part 2

Form of acknowledgement from counterparties of Leases

From [*tenant*]

To **MATTHEW MILLER**

Copy to **[*Chargor*]**

[●] 201[●]

We hereby acknowledge receipt of the notice dated [●] a copy of which is attached to the acknowledgment (the "**Notice**") and confirm the matters set out in paragraphs (i) and (ii) of the Notice

for and on behalf of
[*tenant*]

SCHEDULE 4
Part 1
Form of notice of charge to third party bank

To [*name and address of third party bank*]

Attention [●]

[●] 201[●]

Dear Sirs

We hereby give you notice that by a security agreement dated [●] the ("**Security Agreement**") (a copy of which is attached) we have charged to **MATTHEW MILLER** as Lender (as defined therein) (the "**Lender**") all our right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following account[s] in our name with you together with all interest credited thereto and the debts represented by those sums·

[●] [(the "**Account**")/(together the "**Accounts**")]

We hereby irrevocably instruct and authorise you

1 to credit to [the/each] Account all interest from time to time earned on the sums of money held in that Account,

2 to disclose to the Lender, without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Account[s] and the sums in [the/each] Account as the Lender may, at any time and from time to time, request you to disclose to it,

3 to hold all sums from time to time standing to the credit of [the/each] Account in our name with you to the order of the Lender,

4 [on notice from the Lender that the Security Agreement is enforceable], to pay or release all or any part of the sums from time to time standing to the credit of [the/each] Account in our name with you in accordance with the written instructions of the Lender at any time and from time to time; and

5 to comply with the terms of any written notice or instructions in any way relating to the Account[s] or the sums standing to the credit of [the/each] Account from time to time which you may receive at any time from the Lender without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions

[By counter signing this notice, the Lender confirms that we may make withdrawals from the Account[s] until such time as the Lender shall notify you in writing that their permission is withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account[s] without the prior written consent of the Lender]

These instructions cannot be revoked or varied without the prior written consent of the Lender

This notice is governed by English law

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Lender with a copy to ourselves.

Yours faithfully

By . . . .
for and on behalf of
[*Chargor*]

By . .
for and on behalf of
[*Lender*]

Part 2
Form of acknowledgement from third party bank

To. [*name and address of Lender*]

[●] 201[●]

Dear Sirs

We confirm receipt of a notice dated [●] 201[●] (the "**Notice**") from [ ] (the "**Chargor**") of a charge, upon the terms of a security agreement dated [●] 201[●] (the "**Security Agreement**"), over all the Chargor's right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts with us in the name of the Chargor's together with interest relating thereto:

[●] [(the "**Account**")/(together the "**Accounts**")]

We confirm that:

1 we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms,

2 we have not received notice of the interest of any third party in [the/any] Account or in the sums of money held in [the/any] Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest,

3 we have not claimed or exercised, nor will we claim or exercise, any Security Interest or right of set-off or combination or counterclaim or other right in respect of [the/any] Account, the sums of money held in [the/any] Account or the debts represented by those sums,

4 [on notice from the Lender that the Security Agreement is enforceable,] we will not permit any amount to be withdrawn from [the/any] Account except against the signature of one of your authorised signatories,

5 we will not seek to modify, vary or amend the terms upon which sums are deposited in the Account[s] without your prior written consent

This letter shall be governed by English law

Yours faithfully

for and on behalf of
[third party bank]

SIGNATORIES TO SECURITY AGREEMENT

The Chargor

EXECUTED as a deed and DELIVERED by **POSITIVE CLOTHING (LONDON) LIMITED** in the presence of

Signature	
	Director
Print name LAURENCE FINN	

Witness signature K. St

Name (in BLOCK CAPITALS) KIRSTY STEWART

Address FLAT 6, 37 PRIMROSE GARDENS
LONDON NW3 4UL

The Lender

EXECUTED as a deed and DELIVERED by **MATTHEW MILLER** in the presence of.

Signature

Witness signature _____

Name (in BLOCK CAPITALS) _____

Address _____