



Registration of a Charge

Company name: **MORTGAGE NEXT LIMITED**

Company number: **03175440**



X88ZV5P7

Received for Electronic Filing: **04/07/2019**

Details of Charge

Date of creation: **04/07/2019**

Charge code: **0317 5440 0004**

Persons entitled: **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (AS SECURITY TRUSTEE)**

Brief description: **N/A**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **EXCEPT FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006, I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

ALLEN & OVERY LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3175440

Charge code: 0317 5440 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th July 2019 and created by MORTGAGE NEXT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th July 2019 .

Given at Companies House, Cardiff on 5th July 2019

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DEBENTURE

DATED 4 July 2019

BETWEEN

THE COMPANIES LISTED IN SCHEDULE 1 AS CHARGORS

and

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED

as Security Agent

ALLEN & OVERY

Allen & Overy LLP

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THIS DEED is dated 4 July 2019 and made

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 (Chargors) as chargors (the **Chargors**); and
- (2) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** (the **Security Agent**) as security trustee for the Secured Parties (as defined in the Credit Agreement defined below).

BACKGROUND:

- (A) On or around the date of this Deed the Chargors have acceded to the Credit Agreement (as defined below) as Additional Guarantors pursuant to the terms of an Accession Letter.
- (B) In connection with and as a condition to becoming a party to the Credit Agreement (as defined below), each Chargor enters into this Deed.
- (C) 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 AND INTERPRETATION

1.1 Definitions

In this Deed:

Account Bank means each person with whom an account is maintained by a Chargor.

Act means the Law of Property Act 1925.

Credit Agreement means the £275,000,000 credit agreement dated 20 March 2013 (as amended and restated pursuant to an amendment and restatement agreement dated 20 February 2014, as amended pursuant to an amendment and restatement agreement dated 6 February 2015, as amended by way of an amendment letter dated 24 September 2015, as amended and restated pursuant to an amendment and restatement agreement dated 18 February 2016, as amended by way of an amendment letter dated 22 November 2016, as amended by way of an amendment letter dated 2 February 2018, as amended by way of a letter dated 29 June 2018 and as further amended, extended and restated by an amendment, extension and restatement agreement dated 1 August 2018 between (amongst others) Countrywide plc as borrower and the Security Agent).

Party means a party to this Deed.

Permitted Security means the Security Interests and Quasi-Security permitted under paragraph (c) of clause 22.3 (Negative Pledge).

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

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Party under or in connection with each Finance Document, except for any

obligation which, if it were so included, would result in this Deed contravening section 678 or 679 of the Companies Act 2006.

Security Asset means any asset of a Chargor which is, or is expressed to be, subject to any Security Interest created by this Deed.

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

1.2 Construction

- (a) Capitalised terms defined in the Credit Agreement have the same meaning in this Deed, unless expressly defined in this Deed.
- (b) The provisions of clause 1.2 (Construction) of the Credit Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Credit Agreement shall be construed as references to this Deed.
- (c) Unless a contrary indication appears, any reference in this Deed to:
 - (i) a **clearance system** means a person whose business is or includes the provision of clearance services or security accounts, or any nominee or depositary for that person;
 - (ii) a **Finance Document** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (iii) any **rights** in respect of an asset includes:
 - (A) all amounts and proceeds paid or payable;
 - (B) all rights to make any demand or claim; and
 - (C) all powers, remedies, causes of action, security, guarantees and indemnities, in each case, in respect of or derived from that asset;
 - (iv) any share, stock, debenture, bond or other security or investment includes:
 - (A) any dividend, interest or other distribution paid or payable;
 - (B) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;
 - (C) any right against any clearance system;
 - (D) any right under any custody or other agreement (including any right to require delivery up of any cash or other assets); and
 - (E) any cash or securities account maintained by any custodian or other entity,in each case, in respect of that share, stock, debenture, bond or other security or investment;
 - (v) the term **this Security** means any Security Interest created by this Deed; and

- (vi) an agreement, instrument or other document **to which it is a party** includes any agreement, instrument or other document issued in the relevant person's favour or of which it otherwise has the benefit (in whole or in part).
- (d) Any covenant of a Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 Third party rights

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

2. CREATION OF SECURITY

2.1 General

- (a) Each Chargor shall pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- (b) All the security created under this Deed:
 - (i) is created in favour of the Security Agent;
 - (ii) is created over present and future assets of each Chargor;
 - (iii) is security for the payment of all the Secured Liabilities of the relevant Chargor; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (c) If the rights of a Chargor under a document cannot be secured without the consent of a party to that document or satisfaction of some other condition:
 - (i) that Chargor shall notify the Security Agent promptly;

- (ii) this Security shall constitute security over all proceeds and other amounts which that Chargor may receive, or has received, under that document but exclude that Chargor's other rights under the document until that Chargor obtains the required consent or satisfies the relevant condition;
- (iii) unless the Security Agent otherwise requires, that Chargor shall use its reasonable endeavours to obtain the required consent or satisfy the relevant condition; and
- (iv) if that Chargor obtains the required consent or satisfies the relevant condition:
 - (A) that Chargor shall notify the Security Agent promptly; and
 - (B) all of that Chargor's rights under the document shall immediately be secured in accordance with this Deed.
- (d) The Security Agent holds the benefit of this Deed on trust for the Secured Parties.

2.2 Land

- (a) Each Chargor charges:
 - (i) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it; this includes the real property (if any) specified in Schedule 2 (Security Assets) under its name under the heading **Real Property**; and
 - (ii) (to the extent that they are not the subject of a mortgage under paragraph (i) above) by way of a first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.
- (b) A reference in this Clause 2 to a mortgage or charge of any freehold or leasehold property includes:
 - (i) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
 - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 Investments

Each Chargor charges by way of a first fixed charge its interest in all shares, stocks, debentures, bonds or other securities or investments owned by it or held by any nominee, trustee, custodian or clearance system on its behalf.

2.4 Plant and machinery

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

2.5 Restricted credit balances

Each Chargor charges by way of a first fixed charge all of its rights in respect of any bank account opened and maintained by it, any amount standing to the credit of that account and the debt represented by that account.

2.6 Book debts and receipts

The Chargor charges by way of a first fixed charge:

- (a) all of its book and other debts;
- (b) all other moneys due and owing to it; and
- (c) the benefit of all rights in relation to any item under paragraphs (a) and (b) above.

2.7 Insurances

Each Chargor charges by way of a first fixed charge all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest but excluding any rights under any liability insurance contract or policy in respect of liabilities of that Chargor to third parties.

2.8 Other contracts

- (a) Subject to paragraph (b) below, each Chargor charges by way of a first fixed charge all of its rights in respect of any agreement, instrument or other document to which it is a party, including the agreements, instruments and other documents (if any) specified in Schedule 2 (Security Assets) under its name under the heading **Charged Relevant Contracts**.
- (b) Paragraph (a) above does not apply to any agreement, instrument or other document to which a Chargor is a party that is subject to any fixed security created under any other term of this Clause 2.

2.9 Intellectual property

Each Chargor charges by way of a first fixed charge, all of its rights in respect of:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right; this includes the patents and trademarks (if any) specified in Schedule 2 (Security Assets) under its name under the heading **Specific Intellectual Property Rights**;
- (b) any copyright or other intellectual property monopoly right; or
- (c) any interest (including by way of licence) in any of the above,

in each case, whether registered or not and including all applications for any of the rights referred to in paragraphs (a), (b) and (c) above.

2.10 Miscellaneous

Each Chargor charges by way of a first fixed charge:

- (a) any beneficial interest, claim or entitlement it has in any pension fund;
- (b) its goodwill;
- (c) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (d) the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph (c) above;

- (e) its uncalled capital; and
- (f) the benefit of all rights in relation to any item in paragraphs (a) to (e).

2.11 Floating charge

- (a) Each Chargor charges by way of a first floating charge all of its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause 2.
- (b) Except as provided below, the Security Agent may by notice to a Chargor convert the floating charge created by that Chargor under this Clause 2.11 into a fixed charge as regards any of that Chargor's assets specified in that notice, if:
 - (i) an Event of Default is continuing; or
 - (ii) the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- (c) The floating charge created by this Clause 2.11 may not be converted into a fixed charge solely by reason of:
 - (iii) the obtaining of a moratorium; or
 - (iv) anything done with a view to obtaining a moratorium,
 under section 1A of the Insolvency Act 1986.
- (d) The floating charge created by this Clause 2.11 shall (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of a Chargor's assets if an administrator is appointed, or the Security Agent receives notice of an intention to appoint an administrator, in respect of that Chargor.
- (e) The floating charge created by this Clause 2.11 is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. REPRESENTATIONS - GENERAL

3.1 Times for making representations

- (a) The representations and warranties in this Deed are made by each Chargor on the date of this Deed.
- (b) Unless a representation and warranty is expressed to be given at a specific date, the representations and warranties under this Deed are deemed to be made by each Chargor by reference to the facts and circumstances then existing on each date during the Security Period.

4. RESTRICTIONS ON DEALINGS

No Chargor shall:

- (a) create or permit to subsist any Security Interest over any Security Asset; or
- (b) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Security Asset,

except as expressly allowed under the Credit Agreement or this Deed.

5. LAND

5.1 General

In this Clause 5:

Mortgaged Property means all freehold or leasehold property included in the definition of **Security Asset** and, where the context so requires, includes any buildings on that property.

5.2 Title

Each Chargor represents and warrants to each Party that:

- (a) it is the sole legal and beneficial owner of its Mortgaged Property; and
- (b) has good and marketable title to its Mortgaged Property,

in each case, free of any Security Interest (except for those created by or pursuant to the Transaction Security Documents or any Permitted Security) and restrictions and onerous covenants.

5.3 Acquisitions

- (a) After an Event of Default which is continuing (which shall have been notified in writing to the Security Agent), the Chargor shall:
 - (i) immediately on request from the Security Agent, notify the Security Agent of all its freehold or leasehold property interests;
 - (ii) immediately on request by the Security Agent and at the cost of that Chargor, execute and deliver to the Security Agent a legal mortgage over that property in favour of the Security Agent in any form which the Security Agent may require;
 - (iii) if the title to that freehold or leasehold property is registered at HM Land Registry or required to be so registered, at the request of the Security Agent give HM Land Registry written notice of this Security; and
 - (iv) if applicable, ensure that this Security is correctly noted in the Register of Title against that title at HM Land Registry.
- (b) If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over that lease, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. That Chargor shall use its reasonable endeavours to obtain the landlord's consent.

5.4 Compliance with applicable laws and regulations

Each Chargor shall perform all its obligations under any law or regulation in any way related to or affecting its Mortgaged Property.

5.5 HM Land Registry

After an Event of Default which is continuing, each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at HM Land Registry:

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

5.6 Deposit of title deeds

After an Event of Default which is continuing, each Chargor shall at the request of the Security Agent immediately deposit with the Security Agent all deeds and documents of title relating to its Mortgaged Property and all local land charges, land charges and HM Land Registry search certificates and similar documents received by it or on its behalf.

6. INVESTMENTS

6.1 General

In this Clause 6:

Investments means:

- (a) the Shares; and
- (b) all other shares, stocks, debentures, bonds or other securities or investments which are Security Assets.

Shares means all of the shares in the share capital of each Subject Company.

Subject Company means a company identified in Schedule 3 (Shares).

6.2 Shares

Each Chargor represents and warrants to each Secured Party that:

- (a) the Shares which it charges under this Deed are fully paid;
- (b) the Shares set out against the name of the Subject Company in Schedule 3 (Shares) comprise the whole of the issued share capital of such Subject Company;
- (c) it (or a nominee, trustee, custodian or clearance system on its behalf) is the sole legal, and it is the sole beneficial, owner of the Shares in the relevant Subject Company; and
- (d) the Shares which it charges under this Deed are free of any Security Interest (except for any Security Interest created by or pursuant to the Transaction Security Documents) and any other rights or interests in favour of third parties.

6.3 Deposit

- (a) Each Chargor shall immediately:

- (i) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to any of its Shares; and
 - (ii) execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of, or otherwise obtain a legal title to, any of its Shares.
- (b) Each Chargor shall after an Event of Default which is continuing and at the request of the Security Agent:
- (i) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to any of its other Investments; and
 - (ii) execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of, or otherwise obtain a legal title to, any of its other Investments.

6.4 Changes to rights

No Chargor shall take any action or allow the taking of any action on its behalf which may result in the rights attaching to any of its Shares being altered or further shares in each Subject Company being issued unless such new Shares are also subject to the Security Interests created under this Deed.

6.5 Calls

- (a) Each Chargor shall pay all calls or other payments due and payable in respect of any of the Shares which it charges under this Deed.
- (b) If a Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any of the Shares which it charges under this Deed on behalf of that Chargor. That Chargor shall, promptly on request, reimburse the Security Agent for any payment made by the Security Agent under this Clause 6.5.

6.6 Other obligations in respect of Investments

- (a) Each Chargor shall promptly send to the Security Agent a copy of, and comply with, all requests for information which are within its knowledge and which are made under any applicable law or regulation or any similar provision contained in any articles of association or other constitutional document or which are made by any applicable listing or other applicable authority, relating to any of the Shares which it charges under this Deed. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of that Chargor.
- (b) Each Chargor shall comply with all other conditions and obligations assumed by it in respect of any of the Shares which it charges under this Deed.
- (c) The Security Agent is not obliged to:
 - (i) perform any obligation of a Chargor;
 - (ii) make any payment;

- (iii) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor; or
- (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Investment.

6.7 Voting rights and dividends

- (a) Unless an Event of Default is continuing:
 - (i) each Chargor may continue to exercise (or refrain from exercising) the voting rights and any other rights or powers in respect of its Investments;
 - (ii) if the voting rights or other rights or powers are exercisable by the Security Agent, the Security Agent shall exercise (or refrain from exercising) them in any manner which that Chargor may direct in writing; and
 - (iii) all dividends, distributions or other income paid or payable in relation to any of its Investments shall be paid directly to that Chargor.
- (b) Each Chargor shall indemnify the Security Agent against any cost, loss or liability incurred by the Security Agent as a consequence of the Security Agent acting (or refraining from acting) in respect of any Investments as permitted by this Deed on the direction of any Chargor, to the extent such cost, loss or liability is not directly caused by the fraud, wilful misconduct or gross negligence of the Security Agent.
- (c) For so long as an Event of Default is continuing:
 - (i) the Security Agent may exercise (or refrain from exercising), in the name of the relevant Chargor and without any further consent or authority on the part of the relevant Chargor, any voting rights and any other rights or powers which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise; and
 - (ii) if any Investments remain registered in the name of a Chargor, that Chargor irrevocably appoints the Security Agent as its proxy to exercise the voting rights and other rights or powers in respect of any of its Investments.

6.8 Clearance systems

Each Chargor shall, after an Event of Default which is continuing and if requested by the Security Agent, instruct any clearance system to transfer any Investment held by it for that Chargor or its nominee to an account of the Security Agent or its nominee with that clearance system.

6.9 Custodian arrangements

After an Event of Default which is continuing, each Chargor shall:

- (a) immediately give notice of this Security to any custodian or other entity in respect of any Investment held for it by that custodian or other entity in a form the Security Agent may require; and

- (b) use its reasonable endeavours to ensure that the custodian or other entity acknowledges that notice in a form the Security Agent may require.

7. RESTRICTED CREDIT BALANCES

7.1 Book debts and receipts

The Chargor must get in and realise its book and other debts and other moneys due and owing to it in the ordinary course of its business.

7.2 Representations

Each Chargor represents and warrants to each Secured Party that:

- (a) it is the sole legal and beneficial owner of the credit balance from time to time in each bank account which it maintains (excluding any money or amounts held on behalf of or for clients or other third parties in the ordinary course of business); and
- (b) those credit balances are free of any Security Interest (except for any Security Interest created by or pursuant to the Transaction Security Documents or any Permitted Security).

7.3 Notices of charge

After an Event of Default which is continuing and at the request of the Security Agent, each Chargor shall:

- (a) immediately serve a notice of charge, substantially in the form of Part 1 of Schedule 4 (Forms of letter for Account Bank) on each Account Bank; and
- (b) use its reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 4 (Forms of letter for Account Bank).

8. INTELLECTUAL PROPERTY

8.1 General

In this Clause 8 **Intellectual Property Rights** means:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right;
- (b) any copyright or other intellectual property monopoly right;
- (c) any interest (including by way of licence) in any of the above; or
- (d) any application for any of the above,

in each case, whether registered or not, and which are Security Assets.

8.2 Representations

Each Chargor represents and warrants to each Secured Party that:

- (a) it has taken all actions required to maintain any material Intellectual Property Rights owned by it;

- (b) it is the sole legal and beneficial owner of (or has licensed to it) those Intellectual Property Rights;
- (c) those Intellectual Property Rights are free of any Security Interest (except for any Security Interest created by or pursuant to the Transaction Security Documents) and any other rights or interests (including any licences) in favour of third parties;
- (d) to the best of its knowledge and belief having made due enquiry, it does not, in carrying on its business, infringe any Intellectual Property Rights of any third party; and
- (e) to its knowledge, no Intellectual Property Right owned by it is being infringed, nor is there any threatened infringement of any such Intellectual Property Rights.

8.3 Preservation

- (a) Each Chargor shall:
 - (i) make such registrations and pay such fees, registration taxes and similar amounts as are necessary to keep its material Intellectual Property Rights in force;
 - (ii) take all other steps which are reasonably practicable to maintain and preserve its interests in its material Intellectual Property Rights;
 - (iii) after an Event of Default which is continuing and at the request of the Security Agent, make entries in any public register of its material Intellectual Property Rights which either record the existence of this Deed or the restrictions on disposal imposed by this Deed; and
 - (iv) take such steps as are necessary (including the institution of legal proceedings) to prevent third parties infringing those material Intellectual Property Rights.
- (b) Each Chargor shall ensure that, except with the prior consent of the Security Agent, none of its material Intellectual Property Rights which is registered is abandoned or cancelled, lapses or is liable to any claim of abandonment for non-use or otherwise.

9. RELEVANT CONTRACTS

9.1 General

In this Clause 9 **Relevant Contract** means:

- (a) any agreement, instrument or other document (if any) specified in Schedule 2 (Security Assets) under the heading **Charged Relevant Contracts**; and
- (b) any other agreement, instrument or other document to which a Chargor is a party and which the Security Agent has designated in writing a Relevant Contract.

9.2 Representations

Each Chargor represents and warrants to each Secured Party that:

- (a) no amount payable to it under a Relevant Contract is subject to any right of set-off or similar right (except for any such right that arises under the express terms of that Relevant Contract);

- (b) each Relevant Contract to which it is a party is, to the best of its knowledge and belief having made due enquiry, a legal, valid, binding and enforceable obligation;
- (c) it is not in default in any material respect of any of its obligations under any such Relevant Contract;
- (d) there is no prohibition or other restriction on the creation of security by that Chargor over any such Relevant Contract;
- (e) its entry into and performance of this Deed will not conflict with any term of any such Relevant Contract; and
- (f) its rights in respect of each such Relevant Contract are free of any Security Interest (except for those created by or pursuant to the Transaction Security Documents).

9.3 Notices of assignment/charge

After an Event of Default which is continuing, each Chargor shall at the request of the Security Agent:

- (a) serve a notice of charge, substantially in the form of Part 1 of Schedule 5 (Forms of letter for Relevant Contracts), on each counterparty to a Relevant Contract to which it is a party; and
- (b) use its reasonable endeavours to procure that the counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 5 (Forms of letter for Relevant Contracts).

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 Event of Default

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

10.2 Discretion

For so long as an Event of Default is continuing, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Credit Agreement.

10.3 Statutory powers

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, shall be immediately exercisable at any time an Event of Default is continuing.

11. ENFORCEMENT OF SECURITY

11.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as

the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

11.2 No liability as mortgagee in possession

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

11.3 Privileges

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

11.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or their agents need enquire:

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

11.5 Redemption of prior mortgages

- (a) For so long as an Event of Default is continuing, the Security Agent may:
 - (i) redeem any prior Security Interest against any Security Asset;
 - (ii) procure the transfer of that Security Interest to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer (and any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor).
- (b) Each Chargor shall pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

11.6 Contingencies

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

11.7 Financial collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of a Chargor under this Deed constitute a "security financial collateral arrangement" (in

each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226)), the Security Agent may for so long as an Event of Default is continuing appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

- (b) Where any financial collateral is appropriated:
- (i) if it is cash, its value will be the amount standing to the credit of the relevant account on the date of appropriation plus any accrued but uncredited interest;
 - (ii) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
 - (iii) in any other case, its value will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent financial adviser, investment bank or accountancy firm of national standing selected by it,

and each Secured Party shall give credit for the proportion of the value of the financial collateral appropriated to its use.

11.8 Applying credit balances

The Security Agent may for so long as an Event of Default is continuing require the Account Bank to pay any moneys (including interest) standing to the credit of that account to the Security Agent or as the Security Agent may direct and the Security Agent may apply all or any part of those moneys against all or any part of the Secured Liabilities.

12. RECEIVER

12.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
- (i) an Event of Default is continuing; or
 - (ii) a Chargor so requests the Security Agent in writing at any time.
- (b) Any appointment under paragraph (a) above shall be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- (e) The Security Agent shall not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

12.2 Removal

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

12.3 Remuneration

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

12.4 Agent of each Chargor

- (a) A Receiver will be deemed to be the agent of each Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. Each Chargor shall be responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (b) No Secured Party shall incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

12.5 Relationship with Security Agent

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

13. POWERS OF RECEIVER

13.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 13 in addition to those conferred on it by any law. This includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

13.2 Possession

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

13.3 Carry on business

A Receiver may carry on any business of any Chargor in any manner it thinks fit.

13.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as it thinks fit.
- (b) A Receiver may discharge any person appointed by any Chargor.

13.5 Borrow money

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

13.6 Sale of assets

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

13.7 Leases

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

13.8 Compromise

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

13.9 Legal actions

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

13.10 Receipts

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

13.11 Subsidiaries

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

13.12 Delegation

A Receiver may delegate its powers in accordance with this Deed.

13.13 Lending

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

13.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation or other works; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as it thinks fit.

13.15 Other powers

A Receiver may:

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

14. APPLICATION OF PROCEEDS

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of this Security shall be held by the Security Agent and applied in the following order of priority:

- (a) in or towards payment of or provision for the Secured Liabilities in accordance with the terms of the Credit Agreement; and
- (b) in payment of the surplus (if any) to any Chargor or other person entitled to it.

This Clause 14 is subject to the payment of any claims having priority over this Security. This Clause 14 does not prejudice the right of any Secured Party to recover any shortfall from any Chargor.

15. EXPENSES AND INDEMNITY

Each Chargor shall:

- (a) immediately on demand, pay (or procure the payment) to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and

- (b) keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

16. DELEGATION

16.1 Power of Attorney

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

16.2 Terms

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

16.3 Liability

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

17. FURTHER ASSURANCES

- (a) Each Chargor shall promptly, at its own expense, take whatever action the Security Agent or a Receiver may require for:
 - (i) creating, perfecting or protecting any security over any Security Asset; or
 - (ii) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- (b) The action that may be required under paragraph (a) above includes (without limitation):
 - (i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance in respect of any asset, whether to the Security Agent, its nominee or any other person; or
 - (ii) the giving of any notice, order or direction and the making of any filing or registration,which, in any such case, the Security Agent may consider necessary or desirable.

18. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of that Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case, which may be required or which any attorney may, in its absolute discretion, deem necessary for carrying out any obligation of that Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 18.

19. PRESERVATION OF SECURITY

19.1 Reinstatement

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

19.2 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this Clause 19, would reduce, release or prejudice any of its obligations under this Deed including (without limitation and whether or not known to it or any Secured Party):

- (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;
- (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 any other person;
- (d) 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;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (f) any amendment of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Finance Document or any other document or security; or
- (h) any insolvency, resolution or similar proceedings.

19.3 Amendments to the Finance Documents

- (a) Without limiting Clause 19.2 (Waiver of defences), each Chargor acknowledges that the Finance Documents may from time to time be amended (and that term has the wide meaning given to it by clause 1.2 (Construction) of the Credit Agreement).
- (b) Each Chargor confirms its intention that:
 - (i) any amendment to a Finance Document is within the scope of the Secured Liabilities and this Security; and
 - (ii) the Secured Liabilities and this Security extend to any amount payable by the Chargor under or in connection with a Finance Document as amended.

- (c) Each Chargor agrees that the confirmations in paragraph (b) above apply regardless of:
- (i) why or how a Finance Document is amended (including the extent of the amendment and any change in the parties);
 - (ii) whether any amount payable by an Obligor under or in connection with the amended Finance Document in any way relates to any amount that would or may have been payable had the amendment not taken place;
 - (iii) the extent to which the Chargor's liability under this Deed (whether present or future, actual or contingent), or any right it may have as a result of entering into or performing its obligations under this Deed, changes or may change as a result of the amendment; and
 - (iv) whether the Chargor was aware of or consented to the amendment.

19.4 Immediate recourse

- (a) 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 that Chargor under this Deed.
- (b) This waiver applies irrespective of any law or provision of a Finance Document to the contrary.

19.5 Appropriations

Each Secured Party (or any trustee or agent on its behalf) may at any time during the Security Period:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or trustee or agent) in respect of the Secured Liabilities or apply and enforce them in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of such moneys, security or rights; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed.

19.6 Deferral of Chargor's rights

- (a) Unless the Security Period has expired or the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising under this Deed:
 - (i) to be indemnified by an Obligor;
 - (ii) to claim any contribution from any other person who has provided security or a guarantee in respect of any Obligor's obligations under the Finance Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;

- (iv) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Chargor has granted security under this Deed;
 - (v) to exercise any right of set-off against any Obligor; and/or
 - (vi) to claim or prove as a creditor of any Obligor in competition with any Secured Party.
- (b) If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer them to the Security Agent or as the Security Agent may direct for application in accordance with the terms of this Deed.

19.7 Additional security

- (a) This Security is in addition to and is not in any way prejudiced by any other security or guarantee now or subsequently held by any Secured Party.
- (b) No prior security held by any Secured Party (in its capacity as such or otherwise) over any Security Asset will merge with this Security.

20. MISCELLANEOUS

20.1 Continuing security

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

20.2 Tacking

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

20.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with a Chargor.
- (b) If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

20.4 Time deposits

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

- (a) an Event of Default is continuing; and
- (b) no Secured Liability is due and payable,

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

20.5 Notice to Chargor

This Deed constitutes notice in writing to each Chargor of any charge or assignment by way of security that may at any time be created or made under any Transaction Security Document by any member of the Group in respect of any obligation or liability under any agreement, instrument or other document to which that member of the Group is a party.

20.6 Release of Chargor's rights

If the shares in an Obligor are disposed of as a result of enforcement of this Security, each Chargor irrevocably authorises the Security Agent (on behalf of that Chargor and without requiring any authority or consent from any Obligor or Secured Party) to release (in whole or in part) that Obligor (and any Subsidiary of that Obligor) from the liabilities and obligations (present and future, actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) it may have to that Chargor under or in connection with the Finance Documents as a result of that Chargor being a guarantor or security provider (including, without limitation, any liabilities and obligations arising by way of indemnity, contribution or subrogation).

21. RELEASE

At the end of the Security Period, the Security Agent shall, at the request and cost of a Chargor, take whatever action is necessary to release its Security Assets from this Security.

22. GOVERNING LAW

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

This Deed has been executed as a deed and delivered by each Chargor on the date stated at the beginning of this Deed.

SCHEDULE 1

CHARGORS

Name of Chargor	Registered number
Lambert Smith Hampton (NIreland) Limited	08760710
Mortgage Next Limited	03175440
Mortgage Intelligence Holdings Limited	06775606
Slater Hogg Mortgages Limited	04206425

SCHEDULE 2

SECURITY ASSETS

REAL PROPERTY

[deliberately left blank]

CHARGED RELEVANT CONTRACTS

[deliberately left blank]

SPECIFIC INTELLECTUAL PROPERTY RIGHTS

[deliberately left blank]

SCHEDULE 3

SHARES

Subject Company	Number of Shares	Class
Mortgage Next Network Limited	310,000	Ordinary £1.00 shares
Mortgage Next Limited	50,000	Ordinary £1.00 shares

SCHEDULE 4
FORMS OF LETTER FOR ACCOUNT BANK

PART 1

NOTICE TO ACCOUNT BANK

To: [Account Bank]

Copy: HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (as Security Agent)

Dated:

Debenture dated [] between []
and [] (the Debenture)

This letter constitutes notice to you that under the Debenture we (the **Chargor**) have charged (by way of a first fixed charge) in favour of HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (as trustee for the Secured Parties as referred to in the Debenture, the **Security Agent**) all our rights in respect of the account maintained by us with you (Account no. [] sort code []) (the **Account**) any amount standing to the credit of that account and the debt represented by that account.

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to the Account requested from you by the Security Agent;
- (b) comply with the terms of any written notice or instruction relating to the Account received by you from the Security Agent;
- (c) hold all sums standing to the credit of the Account to the order of the Security Agent; and
- (d) pay or release any sum standing to the credit of the Account in accordance with the written instructions of the Security Agent.

We are not permitted to withdraw any amount from the Account without the prior written consent of the Security Agent.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you.

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

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

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

Yours faithfully

.....
(Authorised Signatory)

[Chargor]

PART 2

ACKNOWLEDGEMENT OF ACCOUNT BANK

To: HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (as Security Agent)

Copy: [Chargor]

Dated:

**Debenture dated [] between []
and [] (the Debenture)**

We confirm receipt from [] (the **Chargor**) of a notice dated [] of a charge upon the terms of the Debenture over all the rights of the Chargor to its account with us (Account no. [], sort code []) (the **Account**), any amount standing to the credit of that account and the debt represented by that account.

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account; and
- (d) will not permit any amount to be withdrawn from the Account without your prior written consent.

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

Yours faithfully

.....
(Authorised signatory)

[Account Bank]

[By countersigning this letter the Security Agent agrees to the Account Bank paying all accrued interest on each Account to the Chargor in accordance with its normal business terms.]

Yours faithfully

.....
(Authorised signatory)

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (as Security Agent)

SCHEDULE 5
FORMS OF LETTER FOR RELEVANT CONTRACTS

PART 1

NOTICE TO COUNTERPARTY

To: [Counterparty]

Copy: HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (as Security Agent)

Dated:

Debenture dated [] between []
and [] (the Debenture)

This letter constitutes notice to you that under the Debenture we have charged (by way of a first fixed charge) in favour of HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (as trustee for the Secured Parties as referred to in the Debenture, the **Security Agent**) all our rights in respect of [insert details of Contract] (the **Contract**).

We confirm that:

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

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to make payments and send communications under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that an Event of Default is continuing. In this event, all the rights, powers and discretions will be exercisable by, and all payments shall be made and all communications shall be sent, to the Security Agent or as it directs. The contact details for the Security Agent are as set out below or as otherwise notified to you from time to time by it. However, we have agreed with the Security Agent that in no event will we amend or waive any provision of, or terminate, the Contract without the prior consent of the Security Agent.

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

The instructions in this letter may not be revoked or amended without the prior consent of the Security Agent and you may comply with them without further permission from us or enquiry by you.

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

Please acknowledge receipt of this letter by signing the attached acknowledgement and returning it to the Security Agent at [ADDRESS], with a copy to us.

Yours faithfully

.....

(Authorised signatory)

[Chargor]

PART 2

ACKNOWLEDGEMENT OF COUNTERPARTY

To: HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED (as Security Agent)

Copy: [Chargor]

Dated:

Debenture dated [] between []
and [] (the Debenture)

We confirm receipt from [] (the **Chargor**) of a notice dated [] of a charge on the terms of the Debenture of all the Chargor's rights in respect of [insert details of the Contract] (the **Contract**).

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice; and
- (b) will make payments and send communications under the Contract as directed in that notice.

We confirm that no amount payable by us under the Contract is subject to any set-off, counterclaim or other similar right and we will not exercise or claim any such right.

We also confirm that we have not received notice of the interest of any third party in the Contract.

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

Yours faithfully

.....
(Authorised signatory)

[Contract counterparty]

SIGNATORIES

Chargors

EXECUTED as a DEED by
LAMBERT SMITH HAMPTON
(NIRELAND) LIMITED acting by

Paul Lewis Creffield, a director

in the presence of:

Witness' Signature

Name:

CATHERINE SAVILL

Address:

1st Floor Standon Hse
21 Mansell St E1 8AA

Director

EXECUTED as a DEED by
MORTGAGE NEXT LIMITED acting by

Paul Lewis Creffield, a director

in the presence of:

Witness' Signature

Name:

CATHERINE SAVILL

Address:

1st Floor Standon Hse
21 Mansell St E1 8AA

Director

EXECUTED as a DEED by
MORTGAGE INTELLIGENCE
HOLDINGS LIMITED acting by

Paul Lewis Creffield, a director

in the presence of:

Witness' Signature

Name:

CATHERINE SAVILL

Address:

1st Floor Standon Hse
21 Mansell St E1 8AA

Director

EXECUTED as a DEED by
SLATER HOGG MORTGAGES LIMITED acting by
Paul Lewis Creffield, a director
in the presence of:

Witness' Signature

Name:

Address:

CATHERINE SAVILL

1st Floor Standun Hse
21 Mansell St E1 8AA

Director

EXECUTED as a DEED by)
HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED acting by)
its attorney/director- Simon Lazarus)
Authorised Signatory)
Attorney/Director)

Witnessed by:

Witness Name: CHARLOTTE JAVIER

Witness Address: HSBC Bank Plc
3 Canada Square
London
E14 5HQ