



Registration of a Charge

Company name: **RENTSMART LIMITED**

Company number: **03689086**

Received for Electronic Filing: **22/11/2016**



Details of Charge

Date of creation: **15/11/2016**

Charge code: **0368 9086 0007**

Persons entitled: **SANTANDER UK PLC (AS SECURITY HOLDER)**

Brief description: **NONE**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

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

Certified by:

ALASTAIR CARRUTHERS



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3689086

Charge code: 0368 9086 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th November 2016 and created by RENTSMART LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd November 2016 .

Given at Companies House, Cardiff on 23rd November 2016

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



DATED

15 November

2016

(1) RENTSMART LIMITED
as Chargor

-and-

(2) SANTANDER UK PLC
as Security Holder

DEBENTURE

This Deed is subject to and has the benefit of an Intercreditor Agreement dated on or around the date of this Deed and made between (1) the Lender as Bank, (2) STB Leasing Limited, (3) the Chargor, (4) Thinksmart Financial Services Limited, (5) Thinksmart UK Limited, (6) the companies named in schedule 1 thereto as Original Obligors and (7) the Lender as Account Bank



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE 21/11/16

SIGNED DLA Piper UK LLP
DLA PIPER UK LLP

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THIS DEBENTURE is made on 15 November

2016

BETWEEN:

- (1) **RENTSMART LIMITED**, a company incorporated and registered under the laws of England and Wales with number 03689086 with its registered office at 7th Floor, Oakland House, Talbot Road, Old Trafford, Manchester, M16 0PQ (the "**Chargor**"); and
- (2) **SANTANDER UK PLC** as security trustee for each Secured Party (the "**Security Holder**")

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed at all times the following terms have the following meanings:

"Account Bank" means

- (a) the Lender; and/or
- (b) such other clearing bank as the Security Holder may specify to the Chargor in writing, from time to time;

"Accounting Principles" means generally accepted accounting principles in England and Wales including the international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable;

"Act" means the Law of Property Act 1925;

"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 (*Security assignments*);

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

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;

"Charged Securities" mean all stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "**investments**" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Chargor, held by a nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time;

"Contract Rights" means all the Company's rights, title, interest and benefit in and to the CPW Agreement and the Related Contract;

"CPW Agreement" means the agreement for the promotion and sale of rental agreements to consumers dated 24 October 2016 and made between CPW (as defined in the Intercreditor Agreement) and the Chargor, as amended from time to time in accordance with this Agreement;

"Debenture Security" means the Security created or evidenced by or pursuant to this Deed;

"Default" means an Enforcement Event or any event or circumstance specified in clause 13 (*When security becomes enforceable*) which would with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing be an Enforcement Event;

"Default Rate" means the rate of interest payable in accordance with the terms of any agreements or letters setting out the terms of or constituting the relevant Secured Obligations in relation to any amount which is not paid on the due date for payment or if none, or the relevant Secured Party is unable to determine which rate otherwise applies at the relevant time, the rate which is 4% (four per cent) above that Secured Party's published base rate from time to time;

"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Holder or by a Receiver;

"Enforcement Event" means each of the events listed in clause 13 (*When security becomes enforceable*);

"Facility Agreement" means a revolving facility agreement dated 15 December 2014 between (1) Thinksmart Europe Limited as parent, (2) Thinksmart Financial Services Limited as borrower and (3) the Lender as lender;

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds (but not Trade Instruments), notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of Finance Leases;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under the Accounting Principles);
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (A) an underlying liability (but not, in any case, Trade Instruments) of an entity which is not a member of the Group which liability would

fall within one of the other paragraphs of this definition or (B) any liabilities of any member of the Group relating to any post-retirement benefit scheme;

- (h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Termination Date or are otherwise classified as borrowings under the Accounting Principles;
- (i) any amount of any liability under an advance or deferred purchase agreement if (A) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (B) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j);

"Finance Lease" means any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;

"Group" has the meaning given to that term in the Facility Agreement;

"Hire Agreements" means an agreement for the hire of goods to an individual consumer entered into in connection with the CPW Agreement;

"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of the Chargor or in which the Chargor from time to time has an interest;

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Chargor in, or relating to:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist);

"Intercreditor Agreement" means the intercreditor agreement dated on or around the date of this Deed and made between (1) the Lender as Bank, (2) STB Leasing Limited, (3) the Chargor, (4) Thinksmart Financial Services Limited, (5) Thinksmart UK Limited, (6) the companies named in schedule 1 thereto as Original Obligors and (7) the Lender as Account Bank;

"Lender" means Santander UK plc;

"Lender Group" means the Lender and its Subsidiaries from time to time;

"Lender Group Member" means each member of the Lender Group;

"New Tripartite Agreement" means the tripartite operating agreement, dated on or around the date of this Deed, and made between (1) the Security Holder, (2) Thinksmart Financial Services Limited and (3) the Chargor;

"Obligor" has the meaning given to that term in the Facility Agreement;

"Parent" means Thinksmart Europe Limited, a company incorporated in England and Wales with registered number 4610727;

"Party" means a party to this Deed;

"Permitted Disposal" means any disposal:

- (a) with the prior written consent of the Security Holder;
- (b) of any Hire Agreement, the related goods leased thereunder or the related Contract Rights by the Chargor to ThinkSmart UK Limited or Thinksmart Financial Services Limited as contemplated by clause 8 (*Allocation of Hire Agreements*) of the Intercreditor Agreement; or
- (c) expressly permitted under a finance or credit agreement between the Chargor and the Secured Party under which Secured Obligations arise;

"Permitted Payment" means any payment expressly permitted under a finance or credit agreement between the Chargor and the Secured Party under which Secured Obligations arise;

"Permitted Security" means any Security or Quasi-Security:

- (a) with the prior written consent of the Lender; or
- (b) expressly permitted under a finance or credit agreement between the Chargor and the Lender under which Secured Obligations arise;
- (c) created by this Deed;

"Planning Acts" means (a) the Town and Country Planning Act 1990, (b) the Planning (Listed Buildings and Conservation Areas) Act 1990, (c) the Planning (Hazardous Substances) Act 1990, (d) the Planning (Consequential Provisions) Act 1990, (e) the Planning and Compensation Act 1991, (f) any regulations made pursuant to any of the foregoing and (g) any other legislation of a similar nature;

"Quasi-Security" means an arrangement or transaction to:

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or any other member of the Group;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset;

"Real Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to the Chargor or in which the Chargor has an interest at any time, together with:

- (a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;
- (b) all easements, rights and agreements in respect thereof; and
- (c) the benefit of all covenants given in respect thereof;

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

- (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and
- (b) all proceeds of any of the foregoing;

"Receiver" means a receiver, or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Security Holder under this Deed;

"Related Rights" means, in relation to any Charged Security:

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition; and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Relevant Contract" means each agreement specified in part 3 of schedule 1 (*Details of Security Assets*) together with each other agreement supplementing or amending or novating or replacing the same;

"Secured Obligations" means all or any money and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Security Holder and/or the other Lender Group Member by the Chargor, whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor or cautioner), including any money and liabilities of the Chargor to a third party which have been assigned or novated to or otherwise vested in the Security Holder or a Lender Group Member and including interest, discount, commission and other lawful charges or expenses which the Security Holder and/or a Lender Group Member may in the course of its business charge or incur in respect of any of those matters or for keeping the Chargor's account, and so that interest shall be computed and compounded according to the usual rates

and practice (or otherwise agreed in writing) after as well as before any demand made or judgment or decree contained under or in relation to this Deed;

"Secured Party" means the Security Holder and each Lender Group Member;

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

"Security Account" has the meaning given to that term in clause 11.10(a)(iii);

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed;

"Security Period" means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Lender Group Member has any further commitment, obligation or liability to the Chargor (including to make any finance credit or other accommodation available to the Chargor);

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006;

"Termination Date" has the meaning given to that term in the Facility Agreement;

"Trade Instruments" means any performance bonds, advance payment bonds or documentary letters of credit issued in respect of the obligations of any member of the Group arising in the ordinary course of trading of that member of the Group; and

"Treasury Transactions" means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
 - (i) the **"Chargor"**, the **"Security Holder"**, any **"Lender Group Member"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) **"this Deed"** or any other agreement or instrument shall be construed as a reference to this Deed or such other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Chargor or provides for further advances);
 - (iii) **"Secured Obligations"** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Chargor;
 - (iv) **"includes"** means includes or including without limitation.

- (b) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed:
 - (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Chargor for the benefit of the Security Holder and each other Lender Group Member.
- (c) The terms of any side letters between any of the parties are incorporated in this Deed to the extent required to ensure that any disposition of the Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (d) If the Security Holder reasonably considers that an amount paid by the Chargor to a Secured Party under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (e) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Third party rights

A person who is not a Party shall not, unless specifically stated herein, have any right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.

1.4 Inconsistency between this Deed and the Intercreditor Agreement

If there is any conflict or inconsistency between any provision of this Deed and any provision of the Intercreditor Agreement, the provision of the Intercreditor Agreement shall prevail.

2. COVENANT TO PAY

2.1 Covenant to pay

- (a) The Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Holder that it will pay and discharge the Secured Obligations from time to time when due.
- (b) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1(a).

2.2 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full, at the Default Rate from time to time.
- (b) Default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Security Holder states are appropriate.

3. GRANT OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made:

- (a) in favour of the Security Holder;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Obligations.

3.2 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

4. FIXED SECURITY

4.1 Fixed charges

The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by the Chargor, or in which it from time to time has an interest:

- (a) by way of first legal mortgage:
 - (i) the Real Property (if any) specified in part 1 of schedule 1 (*Details of Security Assets*); and
 - (ii) all Real Property (if any) not charged by clause 4.1(a)(i) at the date of this Deed vested in, or charged to, the Chargor;
- (b) by way of first fixed charge:
 - (i) all Real Property and all interests in Real Property not charged by clause 4.1(a);
 - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land; and
 - (iii) the proceeds of sale of all Real Property;
- (c) by way of first fixed charge all plant and machinery (not charged by clause 4.1(a) or 4.1(b) and the benefit of all contracts, licences and warranties relating to the same;
- (d) by way of first fixed charge:
 - (i) all computers, vehicles, office equipment and other equipment (not charged by clause 4.1(c)); and
 - (ii) the benefit of all contracts, licences and warranties relating to the same,

other than any which are for the time being part of the Chargor's stock-in-trade or work-in-progress);

- (e) by way of first fixed charge all Charged Securities together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;
- (f) by way of first fixed charge all accounts of the Chargor with any bank, financial institution or other person at any time and all monies at any time standing to the credit of such accounts, in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;
- (g) by way of first fixed charge, all Intellectual Property;
- (h) to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (*Security assignments*), by way of first fixed charge such Assigned Asset;
- (i) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed):
 - (i) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets; and
 - (ii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it; and
- (j) by way of first fixed charge all of the goodwill and uncalled capital of the Chargor.

4.2 Security assignments

The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to:

- (a) in respect of the Relevant Contracts:
 - (i) the Relevant Contracts themselves and all rights and remedies in connection with the Relevant Contracts; and
 - (ii) all proceeds and claims arising from them;
- (b) all Insurances and all claims under the Insurances and all proceeds of the Insurances; and
- (c) all Receivables not assigned under clauses 4.2(a) or 4.2(b).

To the extent that any Assigned Asset described in clauses 4.2(a), 4.2(b) or 4.2(c) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Assigned Asset.

4.3 CPW Agreement

The parties agree that this Deed will not extend to the CPW Agreement. For the avoidance of doubt, this means that nothing in this Deed shall give the Security Holder any interest, rights or benefit (which includes, but is not limited to, a charge of or an absolute assignment in) the CPW Agreement or any rights thereunder.

4.4 Notice of assignment and/or charge - immediate notice

Immediately upon execution of this Deed (and immediately upon the obtaining of any Insurance or the execution of any Relevant Contract after the date of this Deed) the Chargor shall:

- (a) in respect of each of its Insurances, deliver a duly completed notice of assignment to each other party to that Insurance, and shall use its reasonable endeavours to procure that each such party executes and delivers to the Security Holder an acknowledgement, in each case in the respective forms set out in schedule 4 (*Form of notice to and acknowledgement by insurers*); and
- (b) in respect of each Relevant Contract, deliver a duly completed notice of assignment to each other party to that Relevant Contract, and procure that each such party executes and delivers to the Security Holder an acknowledgement, in each case in the respective forms set out in schedule 3 (*Form of notice to and acknowledgement by party to Relevant Contract*).

4.5 Assigned Assets

The Security Holder is not obliged to take any steps necessary to preserve any Assigned Asset, to enforce any term of a Relevant Contract against any person or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

5. FLOATING CHARGE

The Chargor charges and agrees to charge by way of first floating charge all of its present and future:

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge or assigned pursuant to clause 4.1 (*Fixed charges*), clause 4.2 (*Security assignments*) or any other provision of this Deed; and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.

6. CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

The Security Holder may, by written notice to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if:

- (a) an Enforcement Event has occurred and is continuing; or

- (b) the Security Holder considers any Security 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.

6.2 Small companies

The floating charge created under this Deed by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

6.3 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

- (a) in relation to any Security Asset which is subject to a floating charge if:
 - (i) the Chargor creates (or attempts or purports to create) any Security (other than Permitted Security) on or over the relevant Security Asset without the prior written consent of the Security Holder; or
 - (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and
- (b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Security Holder receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986).

6.4 Scottish property

Clause 6.3 (*Automatic conversion*) will not apply to any assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such automatic conversion.

6.5 Partial conversion

The giving of a notice by the Security Holder pursuant to clause 6.1 (*Conversion by notice*) in relation to any asset or class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Holder to serve similar notices in respect of any other asset or class of assets or of any other right of the Security Holder and/or the other Secured Parties.

7. CONTINUING SECURITY

7.1 Continuing security

The Debenture Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

7.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Holder and/or any other Secured Party may at any time hold for any Secured Obligation.

7.3 Right to enforce

This Deed may be enforced against the Chargor without the Security Holder and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

8. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Holder is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

9. ACCOUNTS

No monies at any time standing to the credit of any account (of any type and however designated) of the Chargor with the Security Holder and/or any other Secured Party (or any of them) or in which the Chargor has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any person other than a Secured Party.

10. REPRESENTATIONS

10.1 General

The Chargor makes the representations and warranties set out in this clause 10 to the Security Holder and to each other Secured Party.

10.2 No Security Interests

No Security or Quasi-Security exists over all or any of the present or future Security Assets of the Chargor other than Permitted Security.

10.3 Ranking

Subject to the Intercreditor Agreement, the Debenture Security has or will have first ranking priority and is not subject to any prior ranking or *pari passu* ranking Security.

10.4 Ownership of Security Assets

The Chargor is the sole legal and beneficial owner of all the Security Assets identified in schedule 1 (*Details of Security Assets*).

10.5 Real Property

In relation to the Real Property, part 1 of schedule 1 (*Details of Security Assets*) identifies all freehold and leasehold Real Property which is beneficially owned by the Chargor at the date of this Deed.

10.6 Time when representations made

- (a) All the representations and warranties in this clause 10 are made by the Original Chargor on the date of this Deed and (except for those in clause 10.5 (*Real Property*)) are also deemed to be made by the Chargor at monthly intervals after the date of this Deed; and
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

11. UNDERTAKINGS BY THE CHARGOR

11.1 Negative pledge and Disposals

The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Holder:

- (a) create or permit to subsist any Security or Quasi-Security on any Security Asset other than Permitted Security; or
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset other than a Permitted Disposal.

11.2 Access

If an Enforcement Event is continuing the Chargor shall permit the Security Holder and/or accountants or other professional advisers and contractors of the Security Holder free access at all reasonable times and on reasonable notice at the risk and cost of the Chargor to (a) the premises, assets, books, accounts and records of the Chargor and (b) meet and discuss matters with those member of the senior management team as the Security Holder may feel appropriate.

11.3 Security Assets generally

The Chargor shall:

- (a) notify the Security Holder within 14 days of receipt of every material notice, order, application, requirement or proposal given or made in relation to, the Security Assets by any competent authority, and (if required by the Security Holder):
 - (i) immediately provide it with a copy of the same; and
 - (ii) either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as the Security Holder may require or approve;

- (b) pay all rates, rents, and other outgoings owed by it in respect of the Security Assets;
- (c) comply with:
 - (i) all obligations in relation to the Security Assets under any present or future regulation or requirement of any competent authority or any Authorisation; and
 - (ii) all covenants and obligations affecting any Security Asset (or its manner of use);
- (d) not, except with the prior written consent of the Security Holder enter into any onerous or restrictive obligation affecting any Security Asset;
- (e) provide the Security Holder with all information which it may reasonably request in relation to the Security Assets; and
- (f) not do, cause or permit to be done anything which may to a material extent depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

11.4 Authorisations

The Chargor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect, and supply certified copies to the Security Holder of any Authorisation required under any law or regulation to enable it to perform its obligations under this Deed.

11.5 Deposit of documents and notices

Subject to the Intercreditor Agreement, the Chargor shall:

- (a) unless the Security Holder otherwise confirms in writing (and without prejudice to clause 11.13(a)), deposit with the Security Holder:
 - (i) all deeds and documents of title relating to the Security Assets; and
 - (ii) all local land charges, land charges and the Land Registry search certificates and similar documents received by or on behalf of the Chargor,

(each of which the Security Holder may hold throughout the Security Period); and
- (b) immediately on request by the Security Holder, affix to any plant, machinery, fixtures, fittings, computers, vehicles, office equipment, other equipment and other asset for the time being owned by it (in a prominent position) a durable notice of this Deed (in any form required by the Security Holder (acting reasonably)).

11.6 Real Property undertakings - acquisitions and notices to the Land Registry

- (a) The Chargor shall notify the Security Holder immediately before contracting to purchase any estate or interest in any freehold or leasehold property.
- (b) The Chargor shall, in respect of any freehold or leasehold Real Property which is acquired by it after the date of this Deed, the title which is registered at the Land Registry or the title to which is required to be so registered:

- (i) give the Land Registry written notice of this Deed; and
- (ii) procure that notice of this Deed is clearly noted in the Register to each such title.

11.7 Real Property undertakings - maintenance

- (a) The Chargor shall maintain all buildings and erections forming part of the Security Assets in a reasonable state of repair.
- (b) The Chargor shall not, except with the prior written consent of the Security Holder (such consent not to be unreasonably withheld):
 - (i) confer on any person any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
 - (ii) confer on any person any right or licence to occupy any land or buildings forming part of the Real Property; or
 - (iii) grant any licence to assign or sub-let any part of the Real Property.
- (c) The Chargor shall not carry out any development within the meaning of the Planning Acts in or upon any part of the Real Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure of, or a change of use of, any part of the Real Property, without first obtaining the written consent of the Security Holder.
- (d) The Chargor shall not do, or permit to be done, anything as a result of which any lease may be liable to forfeiture or otherwise be determined.
- (e) The Chargor shall permit the Security Holder and any person nominated by it at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it.

11.8 Insurance

- (a) The Chargor shall maintain insurances with a reputable independent insurer on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.
- (b) If at any time the Chargor defaults in:
 - (i) effecting or keeping up the insurances required under clause 11.8(a); or
 - (ii) producing any insurance policy or receipt to the Security Holder on demand,

the Security Holder may (without prejudice to its rights under clause 12 (*Power to remedy*)) take out or renew such policies of insurance in any sum which the Security Holder may reasonably think expedient. All monies which are expended by the Security Holder in doing so shall be deemed to be properly paid by the Security Holder and shall be reimbursed by the Chargor on demand.

- (c) The Chargor shall notify the Security Holder if any claim arises or may be made under the Insurances.
- (d) The Chargor shall, subject to the rights of the Security Holder under clause 11.8(e), diligently pursue its rights under the Insurances.
- (e) In relation to the proceeds of Insurances, all claims and monies received or receivable under any Insurances shall (subject to the rights or claims of any lessor or landlord of any part of the Security Assets) be applied in repairing, replacing, restoring or rebuilding the property damaged or destroyed or, after the occurrence of a Termination Event which is continuing, in permanent reduction of the Secured Obligations.

11.9 Intellectual Property

The Chargor will:

- (a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business;
- (b) use reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property;
- (c) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property;
- (d) not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil the rights of the Chargor to use such property; and
- (e) not discontinue the use of the Intellectual Property.

11.10 Dealings with and realisation of Receivables and operation of Security Accounts

- (a) Subject to the Intercreditor Agreement, the Chargor shall:
 - (i) without prejudice to clause 11.1 (*Negative pledge and Disposals*) (but in addition to the restrictions in that clause), not, without the prior written consent of the Security Holder, sell, assign, charge, factor or discount or in any other manner deal with any Receivable (save where any sale, assignment, charge, factoring, discounting or other dealing with any Receivable constitutes a Permitted Payment or Permitted Disposal);
 - (ii) collect all Receivables promptly in the ordinary course of trading as agent for the Security Holder; and
 - (iii) following a Termination Event which is continuing, immediately upon receipt pay all monies which it receives in respect of the Receivables into:
 - (A) such specially designated account(s) with the Account Bank as the Security Holder may from time to time direct; or

- (B) such other account(s) with such other bank as the Security Holder may from time to time direct,

(each such account(s) together with all additions to or renewals or replacements thereof (in whatever currency) being a "Security Account"); and
- (iv) pending such payment, hold all monies so received upon trust for the Security Holder.
- (b) Following a Termination Event which is continuing, subject to the provisions of the Facility Agreement, the Intercreditor Agreement and the New Tripartite Agreement, the Chargor shall deal with the Receivables (both collected and uncollected) and the Security Accounts in accordance with any directions given in writing from time to time by the Security Holder and, in default of and subject to such directions, in accordance with this Deed.

11.11 Operation of Security Accounts

- (a) Subject to the Intercreditor Agreement, save where such withdrawal is expressly permitted in accordance with the provisions of the Facility Agreement, the Chargor shall not withdraw, attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Security Account without the prior written consent of the Security Holder and the Security Holder shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer.
- (b) Subject to the Intercreditor Agreement, if any right of the Chargor to withdraw the proceeds of any Receivables standing to the credit of a Security Account results in the charge over that Security Account being characterised as a floating charge, that will not affect the nature of any other fixed security created by the Chargor under this Deed on all its outstanding Receivables.

11.12 Account Bank and notices

- (a) The initial Account Bank is the Lender.
- (b) Where any Security Account of the Chargor is not maintained with the Lender, the Chargor shall deliver to relevant Account Bank a duly completed notice and procure that such Account Bank executes and delivers to the Lender an acknowledgement, in each case in the respective forms set out in schedule 2 (*Form of notice to and acknowledgment from Account Bank*).

11.13 Charged Investments - protection of Security

- (a) The Chargor shall, immediately upon execution of this Deed or (if later), as soon as is practicable after its acquisition of any Charged Securities in certificated form, by way of security for the Secured Obligations:
 - (i) deposit with the Security Holder (or as the Security Holder may direct), all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights; and

- (ii) execute and deliver to the Security Holder:
 - (A) instruments of transfer in respect of the Charged Securities (executed in blank and left undated), and/or
 - (B) such other documents as the Security Holder shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser).
- (b) The Chargor shall:
 - (i) promptly give notice to any custodian of any agreement with the Chargor in respect of any Charged Investment in a form the Security Holder may require; and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form the Security Holder may require.
- (c) If so requested by the Security Holder, the Chargor shall:
 - (i) instruct any clearance system to transfer any Charged Investment held by it for the Chargor or its nominee to an account of the Security Holder or its nominee with such clearance system; and
 - (ii) take whatever action the Security Holder may request for the dematerialisation or rematerialisation of any Charged Investment held in a clearance system.
- (d) Without prejudice to the rest of this clause 11.13, the Security Holder may, at the expense of the Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Charged Investments.
- (e) The Chargor shall promptly pay all calls or other payments which may become due in respect of the Charged Investments.
- (f) The Chargor shall not nominate another person to enjoy or exercise all or any of its specified rights in relation to its Charged Investments, as contemplated by section 145 of the Companies Act 2006 or otherwise.
- (g) Without limiting its obligations under clause 11.3(e), the Chargor shall comply with all requests for information within its knowledge relating to the Charged Investments which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if the relevant company were a public limited company or under any similar provision relating to the Charged Investments and, if it fails to do so, the Security Holder may provide such information as it may have on behalf of the Chargor.

11.14 Rights in respect of Charged Investments

- (a) Until an Enforcement Event occurs, the Chargor shall be entitled to:
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities; and

- (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which:
 - (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Related Rights; or
 - (B) which is prejudicial to the interests of the Security Holder and/or the other Secured Parties under this Deed.
- (b) At any time following the occurrence of an Enforcement Event which is continuing, the Security Holder may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select.
- (c) At any time when any Charged Security is registered in the name of the Security Holder or its nominee, the Security Holder shall be under no duty to:
 - (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee; or
 - (ii) verify that the correct amounts are paid or received; or
 - (iii) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Security.

11.15 Relevant Contracts

Subject to the Intercreditor Agreement, the Chargor shall deal with the Relevant Contracts in accordance with the provisions of the Facility Agreement (or any replacement agreement entered from time to time).

12. POWER TO REMEDY

12.1 Power to remedy

If at any time the Chargor does not comply with any of its obligations under this Deed, the Security Holder (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Security Holder and its employees and agents by way of security to do all such things (including entering the property of the Chargor) which are necessary or desirable to rectify that default.

12.2 Mortgagee in possession

The exercise of the powers of the Security Holder under this clause 12 shall not render it or any other Secured Party liable as a mortgagee in possession.

12.3 Monies expended

The Chargor shall pay to the Security Holder on demand any monies which are expended by the Security Holder in exercising its powers under this clause 12, together with interest at the Default Rate from the date on which those monies were expended by the Security Holder

(both before and after judgment) and otherwise in accordance with clause 2.2 (*Default interest*).

13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 When enforceable

This Debenture Security shall become immediately enforceable upon the occurrence of an event of default or termination event (howsoever defined) in any financing agreement between any Lender Group Member and the Chargor (subject to any applicable grace periods) and at any time following the occurrence of any of the following events and shall remain so for so long as such event is continuing:

- (a) if the Chargor has failed to pay all or any of the Secured Obligations following a demand for payment by the Secured Party to whom such Secured Obligations are owed;
- (b) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to appoint an administrator in respect of the Chargor;
- (c) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to wind up or dissolve the Chargor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer of the Chargor or any part of its undertaking or assets;
- (d) the making of a request by the Chargor for the appointment of a Receiver or administrator;
- (e) any other indebtedness of the Chargor is:
 - (i) not paid when due nor within any applicable grace period;
 - (ii) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
 - (iii) any commitment for indebtedness is cancelled or suspended as a result of an event of default (however described);
- (f) if the Chargor breaches any of the provisions of this Deed;
- (g) the Chargor rescinds or purports to rescind or repudiate or evidence an intention to rescind or repudiate this Deed.

13.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Enforcement Event and for so long as such Enforcement Event is continuing.

13.3 Enforcement

After this Debenture Security has become enforceable, the Security Holder may in its absolute discretion enforce all or any part of the Debenture Security in such manner as it sees fit.

14. ENFORCEMENT OF SECURITY

14.1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Debenture Security.

14.2 Powers of leasing

The statutory powers of leasing conferred on the Security Holder are extended so as to authorise the Security Holder to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Holder may think fit and without the need to comply with section 99 or 100 of the Act.

14.3 Powers of Security Holder

- (a) At any time after the Debenture Security becomes enforceable (or if so requested by the Chargor by written notice at any time), the Security Holder may without further notice (unless required by law):
 - (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
 - (iv) exercise (in the name of the Chargor and without any further consent or authority of the Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Charged Investment is registered or who is the holder of any of them.
- (b) The Security Holder is not entitled to appoint a Receiver in respect of any Security Assets which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

14.4 Redemption of prior mortgages

At any time after the Debenture Security has become enforceable, the Security Holder may:

- (a) redeem any prior Security against any Security Asset; and/or

- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on the Chargor.

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Security Holder on demand.

14.5 Privileges

- (a) Each Receiver and the Security Holder is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the 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 No. 3226)) each Receiver and the Security Holder shall have the right after this Debenture Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (c) For the purpose of clause 14.5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Security Holder reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

14.6 No liability

- (a) Neither the Security Holder, any other Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 14.6(a), neither the Security Holder, any other Secured Party 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.

14.7 Protection of third parties

No person (including a purchaser) dealing with the Security Holder or any Receiver or Delegate will be concerned to enquire:

- (a) whether the Secured Obligations have become payable; or
- (b) whether any power which the Security Holder or the Receiver is purporting to exercise has become exercisable; or
- (c) how any money paid to the Security Holder or to the Receiver is to be applied.

15. RECEIVER

15.1 Removal and replacement

The Security Holder may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

15.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

15.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Holder (or, failing such agreement, to be fixed by the Security Holder).

15.4 Payment by Receiver

Only monies actually paid by a Receiver to the Security Holder in relation to the Secured Obligations shall be capable of being applied by the Security Holder in discharge of the Secured Obligations.

15.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor. The Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Secured Party shall incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

16. POWERS OF RECEIVER

16.1 General powers

Any Receiver shall have:

- (a) all the powers which are conferred on the Security Holder by clause 14.3 (*Powers of Security Holder*);
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (d) all powers which are conferred by any other law conferring power on receivers.

16.2 Additional powers

In addition to the powers referred to in clause 16.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets and the business of the Chargor as he thinks fit;
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act and without limitation:
 - (i) fixtures may be severed and sold separately from the Real Property containing them, without the consent of the Chargor;
 - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;
- (g) to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Holder shall direct);

- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- (k) to form one or more Subsidiaries of the Chargor, and to transfer to any such Subsidiary all or any part of the Security Assets;
- (l) to operate any rent review clause in respect of any Real Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease; and
- (m) to:
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - (iii) use the name of the Chargor for any of the above purposes.

17. APPLICATION OF PROCEEDS

17.1 Application

All monies received by the Security Holder or any Receiver after the Debenture Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Debenture Security) be applied in the following order:

- (a) *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by the Security Holder, any other Secured Party or any Receiver or Delegate and of all remuneration due to the Receiver in connection with this Deed or the Security Assets;
- (b) *secondly*, in or towards satisfaction of the remaining Secured Obligations in accordance with clause 17.3 (*Appropriation and suspense account*); and
- (c) *thirdly*, in payment of any surplus to the Chargor or other person entitled to it.

17.2 Contingencies

If the Debenture Security is enforced at a time when no Secured Obligations are due, the Security Holder or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account.

17.3 Appropriation and suspense account

- (a) Subject to clause 17.1 (*Application*), the Security Holder shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by the Chargor.

- (c) All monies received, recovered or realised by the Security Holder under or in connection with this Deed may at the discretion of the Security Holder be credited to a separate interest-bearing suspense account for so long as the Security Holder determines (with interest accruing thereon at such rate (if any) as the Security Holder usually grants for accounts of that size and nature without the Security Holder having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full.

18. SET-OFF

18.1 Set-off rights

- (a) The Chargor agrees that any money from time to time standing to its credit on any account (whether current, deposit, loan or of any other nature whatsoever) with the Security Holder or any other Secured Party may be retained as cover for and/or applied by the Security Holder or any other Secured Party at any time and without notice to the Chargor (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards payment or discharge of the Secured Obligations or such part of them as the Security Holder or other Secured Party may select.
- (b) If the Security Holder or any other Secured Party exercises any rights in respect of any money as referred to in clause 18.1(a) (including, without limitation, any rights of set-off, accounting or retention or similar rights) in relation to any liability of the Chargor and that liability or any part of it is in a different currency from any credit balance against which the Lender seeks to exercise its rights, the Security Holder or other Secured Party may use the currency of the credit balance to purchase an amount in the currency of the liability at the relevant Secured Party's spot rate of exchange and to pay out of the credit balance all costs, charges and expenses incurred by that Secured Party in connection with that purchase.
- (c) No Secured Party shall be liable for any loss of interest caused by the determination before maturity of any deposits or any loss caused by the fluctuation in any exchange rate at which any currency may be bought or sold by that Secured Party.
- (d) Any Lender Group Member may rely on this clause 18 subject to the provisions of the Third Parties Act.

18.2 Time deposits

Without prejudice to clause 18.1 (*Set-off*), if any time deposit matures on any account which the Chargor has with the Security Holder or any other Secured Party at a time within the Security Period when:

- (a) this Debenture Security has become enforceable; and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Security Holder or other Secured Party in its absolute discretion considers appropriate unless the Security Holder or relevant Secured Party otherwise agrees in writing.

19. DELEGATION

Each of the Security Holder and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Holder nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

20. FURTHER ASSURANCES

20.1 Further action

The Chargor shall, at its own expense, immediately do all acts and execute all documents as the Security Holder or a Receiver may reasonably specify (and in such form as the Security Holder or a Receiver may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed; and
- (b) facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Security Holder, or any Receiver or any Delegate in respect of any Security Asset; or
- (d) creating and perfecting Security in favour of the Security Holder over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to this Deed.

This includes:

- (i) the re-execution of this Deed;
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Security Holder or to its nominee; and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Holder may think expedient.

20.2 Security Documents

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Holder.

20.3 Specific security

Without prejudice to the generality of clause 20.1 (*Further action*), the Chargor will immediately upon request by the Security Holder execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed

security under this Deed (including any fixed security arising or intended to arise pursuant to clause 6 (*Conversion of floating charge*)).

21. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Security Holder, each Receiver and any Delegate to be its attorney to take any action which the Chargor is obliged to take under this Deed, including under clause 20 (*Further assurances*), which the Chargor has failed to take. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

22. PAYMENTS

22.1 Payments

Subject to clause 22.2 (*Gross-up*), all payments to be made by the Chargor in respect of this Deed shall be made:

- (a) in immediately available funds to the credit of such account as the Security Holder may designate; and
- (b) without (and free and clear of, and without any deduction for, or on account of):
 - (i) any set-off or counterclaim; or
 - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax.

22.2 Gross-up

If the Chargor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Security Holder or any other Secured Party, the sum so payable by the Chargor shall be increased so as to result in the receipt by the Security Holder or such other Secured Party of a net amount equal to the full amount expressed to be payable under this Deed.

23. COSTS AND EXPENSES

23.1 Enforcement and preservation costs

The Chargor shall promptly on demand pay to the Security Holder, each other Secured Party and any Receiver the amount of all costs, charges and expenses (including, without limitation, legal fees (and any VAT or similar Tax thereon)) incurred by any of them in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or the Security (including all remuneration of the Receiver).

23.2 Default interest

Any amount demanded under 23.1 (*Enforcement and preservation costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those costs, charges or expenses were paid, incurred or charged by the relevant person and otherwise in accordance with clause 2.2 (*Default interest*).

).

23.3 Third Parties Act

Any Lender Group Member may rely on this clause 21 subject to the provisions of the Third Parties Act.

24. CURRENCIES

24.1 Conversion

All monies received or held by the Security Holder or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Holder or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Holder's spot rate of exchange. The Chargor shall indemnify the Security Holder against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Holder nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

24.2 Currency indemnity

No payment to the Security Holder (whether under any judgment or court order or in the liquidation, administration or dissolution of the Chargor or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made, unless and until the Security Holder shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, the Security Holder shall have a further separate cause of action against the Chargor and shall be entitled to enforce the Security to recover the amount of the shortfall.

25. INDEMNITY

The Chargor shall indemnify the Security Holder, each other Secured Party, any Receiver and any attorney, agent or other person appointed by the Security Holder under this Deed and the Security Holder's officers and employees (each an "**Indemnified Party**") on demand against any cost, loss, liability or expense (however arising) incurred by any Indemnified Party as a result of or in connection with:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed;
- (b) the Security Assets or the use or holding of them by any person ; or
- (c) any breach by the Chargor of any of its obligations under this Deed.

Any Lender Group Member may rely on this clause 25 subject to the provisions of the Third Parties Act.

26. CHANGES TO THE PARTIES

26.1 Charging Companies

The Chargor may not assign any of its rights or obligations under this Deed.

26.2 Security Holder

Subject to compliance with the provisions of clause 28 (*Changes to the Lender*) of the Facility Agreement for such period as the Facility Agreement is in force, the Security Holder may assign or transfer all or any part of its rights under this Deed. The Chargor shall, immediately upon being requested to do so by the Security Holder, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

27. MISCELLANEOUS

27.1 New accounts

- (a) If the Security Holder or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee ceases to continue in force and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for the Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Security Holder or any other Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

27.2 Tacking

- (a) Each Secured Party shall perform its obligations (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

27.3 Land Registry

- (a) The Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Security Holder) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at the Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted:

"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 [♦] 2016 in favour of Santander UK plc referred to in the charges register or their conveyancer."

- (b) The Chargor:
 - (i) authorises the Security Holder to make any application which the Security Holder deems appropriate for the designation of this Deed as an exempt information document under rule 136 of the Land Registration Rules 2003;
 - (ii) shall use its best endeavours to assist with any such application made by or on behalf of the Security Holder; and

- (iii) shall notify the Security Holder 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 following its designation as an exempt information document.
- (c) The Chargor shall 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.
- (d) The Chargor shall promptly make all applications to and filings with Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Debenture Security.

28. NOTICES

28.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax, letter or by such other means as the Parent and the Lender may agree from time to time.

28.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

- (a) in the case of the Chargor, that identified with its name below; and
- (b) in the case of the Security Holder, that identified with its name below,

or any substitute address, fax number or department or officer as the Chargor may notify to the Security Holder (or the Security Holder may notify to the Chargor, if a change is made by the Security Holder) by not less than five Business Days' notice.

28.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of fax, when received in legible form;
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; OR
 - (iii) if through Client Access, at the time of sending,

and, if a particular department or officer is specified as part of its address details provided under clause 28.2 (*Addresses*), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Security Holder will be effective only when actually received by the Security Holder and then only if it is expressly marked for the attention of the department or officer identified with the

Security Holder's signature below (or any substitute department or officer as the Security Holder shall specify for this purpose).

- (c) Any communication or document which becomes effective, in accordance with clauses 28.2(a) and 28.2(b), after 5.00pm in the place of receipt shall be deemed only to become effective on the following day.

28.4 Notification of address and fax number

Promptly upon changing its address or fax number, the Security Holder shall notify the Chargor.

28.5 Electronic communication

- (a) Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if the Parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any electronic communication made between the Parties will be effective only when actually received in readable form and in the case of any electronic communication made by the Chargor to the Security Holder only if it is addressed in such a manner as the Security Holder shall specify for this purpose.
- (c) Any electronic communication which becomes effective, in accordance with clause 28.5(b), after 5.00pm in the place of receipt shall be deemed only to become effective on the following day.

28.6 English language

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Holder, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

29. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Security Holder or any other Secured Party specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is in the absence of manifest error, conclusive evidence

against the Chargor of the matters to which it relates. Any Lender Group Member may rely on this clause 29 subject to the provisions of the Third Parties Act.

30. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

31. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Security Holder or any other Secured Party, any right or remedy under this Deed or otherwise in respect of the Secured Obligations shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law. Any Lender Group Member may rely on this clause 31 subject to the provisions of the Third Parties Act.

32. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Security Holder and the Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Holder so agrees in writing. A waiver given or consent granted by the Security Holder under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

33. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

34. RELEASE

34.1 Release

Upon the expiry of the Security Period (but not otherwise) the Security Holder shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

34.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Holder may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

35. GOVERNING LAW

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

36. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This clause 36 is for the benefit of the Security Holder and the other Secured Parties only. As a result, the Security Holder and each other Secured Party shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Holder and each other Secured Party may take concurrent proceedings in any number of jurisdictions.

IN WITNESS of which this Deed has been duly executed by the Original Chargor as a deed and duly executed by the Security Holder and has been delivered on the first date specified on page 1 of this Deed by the Original Chargor.

SCHEDULE 1: DETAILS OF SECURITY ASSETS

Part 1: Real Property

Registered land		
Address	Administrative area	Title number
<i>Intentionally left blank</i>		
Unregistered land		
Address	Document describing the Real Property	
	Date	Parties
<i>Intentionally left blank</i>		

Part 2: Relevant Contracts

Date of Relevant Contract	Parties	Details of Relevant Contract
24 October 2016	(1) The Chargor (2) ICT Reverse Asset Management Limited	Master Sale Agreement

SCHEDULE 2: FORM OF NOTICE TO AND ACKNOWLEDGEMENT FROM ACCOUNT BANK

To: [Name and address of Account Bank]

Dated: [◆]] 20[◆]

Dear Sirs

Re:	Account Holder: [◆] (the "Chargor")
	Security Account Nos: [◆] (the "Security Account[s]")
	Account Branch: [◆]

1. We give notice that, by a debenture dated [◆]] 20[◆] (the "**Debenture**"), we have charged to [◆] (the "**Security Holder**") all our present and future right, title and interest in and to:
 - (a) the Security Accounts (as defined in this letter), all monies from time to time standing to the credit of the Security Accounts and all additions to or renewals or replacements thereof (in whatever currency); and
 - (b) all other accounts from time to time maintained with you by us and all monies at any time standing to the credit of such accounts,

(together the "**Charged Accounts**") and to all interest from time to time accrued or accruing on the Charged Accounts, any investment made out of any such monies or account and all rights to repayment of any of the foregoing by you.
2. We advise you that, under the terms of the Debenture, we are not entitled to withdraw any monies from the Security Accounts without first having obtained the written consent of the Security Holder.
3. We irrevocably authorise and instruct you from time to time unless the Security Holder so authorises you in writing, not to permit withdrawals from the Security Accounts.
4. We further hereby irrevocably authorise and instruct you from time to time:
 - (a) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Holder;
 - (b) to pay all or any part of the monies standing to the credit of the Charged Accounts to the Security Holder (or as it may direct) promptly following receipt of written instructions from the Security Holder to that effect;
 - (c) to disclose to the Security Holder such information relating to us and the Charged Accounts as the Security Holder may from time to time request you to provide; and
 - (d) following receipt of notice from the Security Holder, instructing you that we are no longer entitled to withdraw monies from the Charged Accounts to refuse any such

requests unless such request has the prior and specific written consent of the Security Holder.

5. We agree that you are not bound to enquire whether the right of the Security Holder to withdraw any monies from any Charged Account has arisen or be concerned with (a) the propriety or regularity of the exercise of that right or (b) notice to the contrary or (c) to be responsible for the application of any monies received by the Security Holder.
6. This notice may only be revoked or amended with the prior written consent of the Security Holder.
7. Please confirm by completing the enclosed copy of this notice and returning it to the Security Holder (with a copy to us) that you agree to the above and that:
 - (a) you accept the authorisations and instructions contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Holder, received notice of any assignment or charge of or claim to the monies standing to the credit of any Charged Account or the grant of any security or other interest over those monies or any Charged Account in favour of any third party and you will notify the Security Holder promptly if you should do so in the future; and
 - (c) you do not at the date of this notice and will not in the future exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts.
8. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[NAME OF CHARGOR]

Countersigned by

for and on behalf of
[NAME OF SECURITY HOLDER]

[On copy]

To: [◆]
as Security Holder
[ADDRESS]

Copy to: [NAME OF CHARGOR]

We acknowledge receipt of the above notice. We confirm and agree:

- (a) that the matters referred to in it do not conflict with the terms which apply to any Charged Account; and
- (b) the matters set out in paragraph 7 of the above notice.

for and on behalf of
[Name of Account Bank]

Dated: [◆] 20[◆]

**SCHEDULE 3: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY PARTY TO
RELEVANT CONTRACT**

To: *[Insert name and address of relevant party]*

Dated: [◆] 20[◆]

Dear Sirs

**RE: [DESCRIBE RELEVANT CONTRACT] DATED [◆] 20[◆] BETWEEN (1)
YOU AND [◆] AND (2) [◆] (THE "CHARGOR")**

1. We give notice that, by a debenture dated [◆] 20[◆] (the "**Debenture**"), we have assigned to [◆] (the "**Security Holder**") all our present and future right, title and interest in and to *[insert details of Relevant Contract]* (together with any other agreement supplementing or amending the same, the "**Agreement**") including all rights and remedies in connection with the Agreement and all proceeds and claims arising from the Agreement.
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Holder at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure), such information relating to the Agreement as the Security Holder may from time to time request;
 - (b) if the Security Holder so directs, to hold all sums from time to time due and payable by you to us under the Agreement to the order of the Security Holder;
 - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Agreement only in accordance with the written instructions given to you by the Security Holder from time to time;
 - (d) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Debenture or the Agreement or the debts represented thereby which you receive at any time from the Security Holder without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
 - (e) to send copies of all notices and other information given or received under the Agreement to the Security Holder.
3. We are not permitted to agree any amendment or supplement to, or waive any obligation under, the Agreement without the prior written consent of the Security Holder.
4. Unless otherwise specified by the Security Holder, we are permitted to continue to receive from you any amount in respect of or on account of the sums payable to us from time to time under the Agreement.
5. This notice may only be revoked or amended with the prior written consent of the Security Holder.

6. Please confirm by completing the enclosed copy of this notice and returning it to the Security Holder (with a copy to us) that you agree to the above and that:
- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Holder, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Agreement or any proceeds of it and you will notify the Security Holder promptly if you should do so in future;
 - (c) you will continue to permit any sums to be paid to us or any other person under or pursuant to the Agreement until notified otherwise by the Security Holder; and
 - (d) you will not exercise any right to terminate the Agreement or take any action to amend or supplement the Agreement without the prior written consent of the Security Holder.
7. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[NAME OF CHARGOR]

[On copy]

To: [◆]
as Security Holder
[ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph 6 in the above notice.

for and on behalf of
[Name of relevant party]

Dated: [◆] 20[◆]

SCHEDULE 4: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To: [Insert name and address of insurer]

Dated: [◆]] 20[◆]

Dear Sirs

[**DESCRIBE INSURANCE POLICIES**] DATED [◆]] 20[◆] BETWEEN (1) YOU AND (2) [◆]] (THE "CHARGOR")

1. We give notice that, by a debenture dated [◆]] 20[◆] (the "**Debenture**"), we have [assigned] to [◆]] (the "**Security Holder**") all our present and future right, title and interest in and to the Policies (together with any other agreement supplementing or amending the same, the "**Policies**") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies.
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Holder at our expense without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Policies as the Security Holder may from time to time request;
 - (b) if the Security Holder so directs, to hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Holder;
 - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Security Holder from time to time;
 - (d) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Debenture, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Security Holder (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction); and
 - (e) to send copies of all notices and other information given or received under the Policies to the Security Holder.
3. We irrevocably instruct you, with effect from the date of this notice, to note on the relevant Policies the Security Holder's interest as loss payee and as first priority assignee of the Policies and the rights, remedies, proceeds and claims referred to above.
4. We are not permitted to receive from you, otherwise than through the Security Holder, any amount in respect of or on account of the sums payable to us from time to time under the Policies or to agree any amendment or supplement to, or waive any obligation under, the Policies without the prior written consent of the Security Holder.
5. This notice may only be revoked or amended with the prior written consent of the Security Holder.
6. Please confirm by completing the enclosed copy of this notice and returning it to the Security Holder (with a copy to us) that you agree to the above and that:

- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Holder, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Security Holder promptly if you should do so in future;
 - (c) you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Security Holder; and
 - (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 the prior written consent of the Security Holder.
7. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[NAME OF CHARGOR]

[On copy]

To: [◆]
as Security Holder
[ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph 6 in the above notice.

for and on behalf of
[Name of relevant insurer]

Dated: [◆] 20[◆]

EXECUTION PAGES

THE CHARGOR

Executed as a deed, but not delivered until the)
first date specified on page 1, by)
RENTSMART LIMITED by a director in the)
presence of a witness:)
)

Signature _____

Name (block capitals) _____

Director

Witness signature _____

Witness name
(block capitals) _____

Witness address

Address: 7th Floor Oakland House, Talbot Road, Old Trafford, Manchester,
Greater Manchester M16 0PQ

Facsimile No: 0161 333 2450

Attention: Gary Halton

THE SECURITY HOLDER

Signed by DAVID CHELL for)
and on behalf of **SANTANDER UK PLC:**)
)

Signature _____

Address: 298 Deansgate Manchester M3 4HH

Facsimile No: 0161 953 3301

Attention: David Chell/Paul Sutcliffe



DATED

15 November

2016

(1) RENTSMART LIMITED
as Chargor

-and-

(2) SANTANDER UK PLC
as Security Holder

DEBENTURE

This Deed is subject to and has the benefit of an Intercreditor Agreement dated on or around the date of this Deed and made between (1) the Lender as Bank, (2) STB Leasing Limited, (3) the Chargor, (4) Thinksmart Financial Services Limited, (5) Thinksmart UK Limited, (6) the companies named in schedule 1 thereto as Original Obligors and (7) the Lender as Account Bank



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE 21/11/16

SIGNED DLA Piper UK LLP
DLA PIPER UK LLP

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THIS DEBENTURE is made on

15 November 2016

BETWEEN:

- (1) **RENTSMART LIMITED**, a company incorporated and registered under the laws of England and Wales with number 03689086 with its registered office at 7th Floor, Oakland House, Talbot Road, Old Trafford, Manchester, M16 0PQ (the "**Chargor**"); and
- (2) **SANTANDER UK PLC** as security trustee for each Secured Party (the "**Security Holder**")

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed at all times the following terms have the following meanings:

"Account Bank" means

- (a) the Lender; and/or
- (b) such other clearing bank as the Security Holder may specify to the Chargor in writing, from time to time;

"Accounting Principles" means generally accepted accounting principles in England and Wales including the international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable;

"Act" means the Law of Property Act 1925;

"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 (*Security assignments*);

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

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;

"Charged Securities" mean all stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "**investments**" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Chargor, held by a nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time;

"Contract Rights" means all the Company's rights, title, interest and benefit in and to the CPW Agreement and the Related Contract;

"CPW Agreement" means the agreement for the promotion and sale of rental agreements to consumers dated 24 October 2016 and made between CPW (as defined in the Intercreditor Agreement) and the Chargor, as amended from time to time in accordance with this Agreement;

"Debenture Security" means the Security created or evidenced by or pursuant to this Deed;

"Default" means an Enforcement Event or any event or circumstance specified in clause 13 (*When security becomes enforceable*) which would with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing be an Enforcement Event;

"Default Rate" means the rate of interest payable in accordance with the terms of any agreements or letters setting out the terms of or constituting the relevant Secured Obligations in relation to any amount which is not paid on the due date for payment or if none, or the relevant Secured Party is unable to determine which rate otherwise applies at the relevant time, the rate which is 4% (four per cent) above that Secured Party's published base rate from time to time;

"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Holder or by a Receiver;

"Enforcement Event" means each of the events listed in clause 13 (*When security becomes enforceable*);

"Facility Agreement" means a revolving facility agreement dated 15 December 2014 between (1) Thinksmart Europe Limited as parent, (2) Thinksmart Financial Services Limited as borrower and (3) the Lender as lender;

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds (but not Trade Instruments), notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of Finance Leases;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under the Accounting Principles);
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (A) an underlying liability (but not, in any case, Trade Instruments) of an entity which is not a member of the Group which liability would

fall within one of the other paragraphs of this definition or (B) any liabilities of any member of the Group relating to any post-retirement benefit scheme;

- (h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Termination Date or are otherwise classified as borrowings under the Accounting Principles;
- (i) any amount of any liability under an advance or deferred purchase agreement if (A) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (B) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j);

"Finance Lease" means any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;

"Group" has the meaning given to that term in the Facility Agreement;

"Hire Agreements" means an agreement for the hire of goods to an individual consumer entered into in connection with the CPW Agreement;

"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of the Chargor or in which the Chargor from time to time has an interest;

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Chargor in, or relating to:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist);

"Intercreditor Agreement" means the intercreditor agreement dated on or around the date of this Deed and made between (1) the Lender as Bank, (2) STB Leasing Limited, (3) the Chargor, (4) Thinksmart Financial Services Limited, (5) Thinksmart UK Limited, (6) the companies named in schedule 1 thereto as Original Obligors and (7) the Lender as Account Bank;

"Lender" means Santander UK plc;

"Lender Group" means the Lender and its Subsidiaries from time to time;

"Lender Group Member" means each member of the Lender Group;

"New Tripartite Agreement" means the tripartite operating agreement, dated on or around the date of this Deed, and made between (1) the Security Holder, (2) Thinksmart Financial Services Limited and (3) the Chargor;

"Obligor" has the meaning given to that term in the Facility Agreement;

"Parent" means Thinksmart Europe Limited, a company incorporated in England and Wales with registered number 4610727;

"Party" means a party to this Deed;

"Permitted Disposal" means any disposal:

- (a) with the prior written consent of the Security Holder;
- (b) of any Hire Agreement, the related goods leased thereunder or the related Contract Rights by the Chargor to ThinkSmart UK Limited or Thinksmart Financial Services Limited as contemplated by clause 8 (*Allocation of Hire Agreements*) of the Intercreditor Agreement; or
- (c) expressly permitted under a finance or credit agreement between the Chargor and the Secured Party under which Secured Obligations arise;

"Permitted Payment" means any payment expressly permitted under a finance or credit agreement between the Chargor and the Secured Party under which Secured Obligations arise;

"Permitted Security" means any Security or Quasi-Security:

- (a) with the prior written consent of the Lender; or
- (b) expressly permitted under a finance or credit agreement between the Chargor and the Lender under which Secured Obligations arise;
- (c) created by this Deed;

"Planning Acts" means (a) the Town and Country Planning Act 1990, (b) the Planning (Listed Buildings and Conservation Areas) Act 1990, (c) the Planning (Hazardous Substances) Act 1990, (d) the Planning (Consequential Provisions) Act 1990, (e) the Planning and Compensation Act 1991, (f) any regulations made pursuant to any of the foregoing and (g) any other legislation of a similar nature;

"Quasi-Security" means an arrangement or transaction to:

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or any other member of the Group;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset;

"Real Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to the Chargor or in which the Chargor has an interest at any time, together with:

- (a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;
- (b) all easements, rights and agreements in respect thereof; and
- (c) the benefit of all covenants given in respect thereof;

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

- (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and
- (b) all proceeds of any of the foregoing;

"Receiver" means a receiver, or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Security Holder under this Deed;

"Related Rights" means, in relation to any Charged Security:

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition; and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Relevant Contract" means each agreement specified in part 3 of schedule 1 (*Details of Security Assets*) together with each other agreement supplementing or amending or novating or replacing the same;

"Secured Obligations" means all or any money and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Security Holder and/or the other Lender Group Member by the Chargor, whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor or cautioner), including any money and liabilities of the Chargor to a third party which have been assigned or novated to or otherwise vested in the Security Holder or a Lender Group Member and including interest, discount, commission and other lawful charges or expenses which the Security Holder and/or a Lender Group Member may in the course of its business charge or incur in respect of any of those matters or for keeping the Chargor's account, and so that interest shall be computed and compounded according to the usual rates

and practice (or otherwise agreed in writing) after as well as before any demand made or judgment or decree contained under or in relation to this Deed;

"Secured Party" means the Security Holder and each Lender Group Member;

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

"Security Account" has the meaning given to that term in clause 11.10(a)(iii);

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed;

"Security Period" means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Lender Group Member has any further commitment, obligation or liability to the Chargor (including to make any finance credit or other accommodation available to the Chargor);

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006;

"Termination Date" has the meaning given to that term in the Facility Agreement;

"Trade Instruments" means any performance bonds, advance payment bonds or documentary letters of credit issued in respect of the obligations of any member of the Group arising in the ordinary course of trading of that member of the Group; and

"Treasury Transactions" means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
 - (i) the **"Chargor"**, the **"Security Holder"**, any **"Lender Group Member"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) **"this Deed"** or any other agreement or instrument shall be construed as a reference to this Deed or such other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Chargor or provides for further advances);
 - (iii) **"Secured Obligations"** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Chargor;
 - (iv) **"includes"** means includes or including without limitation.

- (b) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed:
 - (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Chargor for the benefit of the Security Holder and each other Lender Group Member.
- (c) The terms of any side letters between any of the parties are incorporated in this Deed to the extent required to ensure that any disposition of the Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (d) If the Security Holder reasonably considers that an amount paid by the Chargor to a Secured Party under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (e) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Third party rights

A person who is not a Party shall not, unless specifically stated herein, have any right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed.

1.4 Inconsistency between this Deed and the Intercreditor Agreement

If there is any conflict or inconsistency between any provision of this Deed and any provision of the Intercreditor Agreement, the provision of the Intercreditor Agreement shall prevail.

2. COVENANT TO PAY

2.1 Covenant to pay

- (a) The Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Holder that it will pay and discharge the Secured Obligations from time to time when due.
- (b) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1(a).

2.2 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full, at the Default Rate from time to time.
- (b) Default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Security Holder states are appropriate.

3. GRANT OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made:

- (a) in favour of the Security Holder;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Obligations.

3.2 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

4. FIXED SECURITY

4.1 Fixed charges

The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by the Chargor, or in which it from time to time has an interest:

- (a) by way of first legal mortgage:
 - (i) the Real Property (if any) specified in part 1 of schedule 1 (*Details of Security Assets*); and
 - (ii) all Real Property (if any) not charged by clause 4.1(a)(i) at the date of this Deed vested in, or charged to, the Chargor;
- (b) by way of first fixed charge:
 - (i) all Real Property and all interests in Real Property not charged by clause 4.1(a);
 - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land; and
 - (iii) the proceeds of sale of all Real Property;
- (c) by way of first fixed charge all plant and machinery (not charged by clause 4.1(a) or 4.1(b) and the benefit of all contracts, licences and warranties relating to the same;
- (d) by way of first fixed charge:
 - (i) all computers, vehicles, office equipment and other equipment (not charged by clause 4.1(c)); and
 - (ii) the benefit of all contracts, licences and warranties relating to the same,

other than any which are for the time being part of the Chargor's stock-in-trade or work-in-progress);

- (e) by way of first fixed charge all Charged Securities together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;
- (f) by way of first fixed charge all accounts of the Chargor with any bank, financial institution or other person at any time and all monies at any time standing to the credit of such accounts, in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;
- (g) by way of first fixed charge, all Intellectual Property;
- (h) to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (*Security assignments*), by way of first fixed charge such Assigned Asset;
- (i) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed):
 - (i) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets; and
 - (ii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it; and
- (j) by way of first fixed charge all of the goodwill and uncalled capital of the Chargor.

4.2 Security assignments

The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to:

- (a) in respect of the Relevant Contracts:
 - (i) the Relevant Contracts themselves and all rights and remedies in connection with the Relevant Contracts; and
 - (ii) all proceeds and claims arising from them;
- (b) all Insurances and all claims under the Insurances and all proceeds of the Insurances; and
- (c) all Receivables not assigned under clauses 4.2(a) or 4.2(b).

To the extent that any Assigned Asset described in clauses 4.2(a), 4.2(b) or 4.2(c) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Assigned Asset.

4.3 CPW Agreement

The parties agree that this Deed will not extend to the CPW Agreement. For the avoidance of doubt, this means that nothing in this Deed shall give the Security Holder any interest, rights or benefit (which includes, but is not limited to, a charge of or an absolute assignment in) the CPW Agreement or any rights thereunder.

4.4 Notice of assignment and/or charge - immediate notice

Immediately upon execution of this Deed (and immediately upon the obtaining of any Insurance or the execution of any Relevant Contract after the date of this Deed) the Chargor shall:

- (a) in respect of each of its Insurances, deliver a duly completed notice of assignment to each other party to that Insurance, and shall use its reasonable endeavours to procure that each such party executes and delivers to the Security Holder an acknowledgement, in each case in the respective forms set out in schedule 4 (*Form of notice to and acknowledgement by insurers*); and
- (b) in respect of each Relevant Contract, deliver a duly completed notice of assignment to each other party to that Relevant Contract, and procure that each such party executes and delivers to the Security Holder an acknowledgement, in each case in the respective forms set out in schedule 3 (*Form of notice to and acknowledgement by party to Relevant Contract*).

4.5 Assigned Assets

The Security Holder is not obliged to take any steps necessary to preserve any Assigned Asset, to enforce any term of a Relevant Contract against any person or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

5. FLOATING CHARGE

The Chargor charges and agrees to charge by way of first floating charge all of its present and future:

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge or assigned pursuant to clause 4.1 (*Fixed charges*), clause 4.2 (*Security assignments*) or any other provision of this Deed; and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.

6. CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

The Security Holder may, by written notice to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if:

- (a) an Enforcement Event has occurred and is continuing; or

- (b) the Security Holder considers any Security 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.

6.2 Small companies

The floating charge created under this Deed by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

6.3 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

- (a) in relation to any Security Asset which is subject to a floating charge if:
 - (i) the Chargor creates (or attempts or purports to create) any Security (other than Permitted Security) on or over the relevant Security Asset without the prior written consent of the Security Holder; or
 - (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and
- (b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Security Holder receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986).

6.4 Scottish property

Clause 6.3 (*Automatic conversion*) will not apply to any assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such automatic conversion.

6.5 Partial conversion

The giving of a notice by the Security Holder pursuant to clause 6.1 (*Conversion by notice*) in relation to any asset or class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Holder to serve similar notices in respect of any other asset or class of assets or of any other right of the Security Holder and/or the other Secured Parties.

7. CONTINUING SECURITY

7.1 Continuing security

The Debenture Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

7.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Holder and/or any other Secured Party may at any time hold for any Secured Obligation.

7.3 Right to enforce

This Deed may be enforced against the Chargor without the Security Holder and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

8. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Holder is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

9. ACCOUNTS

No monies at any time standing to the credit of any account (of any type and however designated) of the Chargor with the Security Holder and/or any other Secured Party (or any of them) or in which the Chargor has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any person other than a Secured Party.

10. REPRESENTATIONS

10.1 General

The Chargor makes the representations and warranties set out in this clause 10 to the Security Holder and to each other Secured Party.

10.2 No Security Interests

No Security or Quasi-Security exists over all or any of the present or future Security Assets of the Chargor other than Permitted Security.

10.3 Ranking

Subject to the Intercreditor Agreement, the Debenture Security has or will have first ranking priority and is not subject to any prior ranking or *pari passu* ranking Security.

10.4 Ownership of Security Assets

The Chargor is the sole legal and beneficial owner of all the Security Assets identified in schedule 1 (*Details of Security Assets*).

10.5 Real Property

In relation to the Real Property, part 1 of schedule 1 (*Details of Security Assets*) identifies all freehold and leasehold Real Property which is beneficially owned by the Chargor at the date of this Deed.

10.6 Time when representations made

- (a) All the representations and warranties in this clause 10 are made by the Original Chargor on the date of this Deed and (except for those in clause 10.5 (*Real Property*)) are also deemed to be made by the Chargor at monthly intervals after the date of this Deed; and
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

11. UNDERTAKINGS BY THE CHARGOR

11.1 Negative pledge and Disposals

The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Holder:

- (a) create or permit to subsist any Security or Quasi-Security on any Security Asset other than Permitted Security; or
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset other than a Permitted Disposal.

11.2 Access

If an Enforcement Event is continuing the Chargor shall permit the Security Holder and/or accountants or other professional advisers and contractors of the Security Holder free access at all reasonable times and on reasonable notice at the risk and cost of the Chargor to (a) the premises, assets, books, accounts and records of the Chargor and (b) meet and discuss matters with those member of the senior management team as the Security Holder may feel appropriate.

11.3 Security Assets generally

The Chargor shall:

- (a) notify the Security Holder within 14 days of receipt of every material notice, order, application, requirement or proposal given or made in relation to, the Security Assets by any competent authority, and (if required by the Security Holder):
 - (i) immediately provide it with a copy of the same; and
 - (ii) either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as the Security Holder may require or approve;

- (b) pay all rates, rents, and other outgoings owed by it in respect of the Security Assets;
- (c) comply with:
 - (i) all obligations in relation to the Security Assets under any present or future regulation or requirement of any competent authority or any Authorisation; and
 - (ii) all covenants and obligations affecting any Security Asset (or its manner of use);
- (d) not, except with the prior written consent of the Security Holder enter into any onerous or restrictive obligation affecting any Security Asset;
- (e) provide the Security Holder with all information which it may reasonably request in relation to the Security Assets; and
- (f) not do, cause or permit to be done anything which may to a material extent depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

11.4 Authorisations

The Chargor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect, and supply certified copies to the Security Holder of any Authorisation required under any law or regulation to enable it to perform its obligations under this Deed.

11.5 Deposit of documents and notices

Subject to the Intercreditor Agreement, the Chargor shall:

- (a) unless the Security Holder otherwise confirms in writing (and without prejudice to clause 11.13(a)), deposit with the Security Holder:
 - (i) all deeds and documents of title relating to the Security Assets; and
 - (ii) all local land charges, land charges and the Land Registry search certificates and similar documents received by or on behalf of the Chargor,

(each of which the Security Holder may hold throughout the Security Period); and
- (b) immediately on request by the Security Holder, affix to any plant, machinery, fixtures, fittings, computers, vehicles, office equipment, other equipment and other asset for the time being owned by it (in a prominent position) a durable notice of this Deed (in any form required by the Security Holder (acting reasonably)).

11.6 Real Property undertakings - acquisitions and notices to the Land Registry

- (a) The Chargor shall notify the Security Holder immediately before contracting to purchase any estate or interest in any freehold or leasehold property.
- (b) The Chargor shall, in respect of any freehold or leasehold Real Property which is acquired by it after the date of this Deed, the title which is registered at the Land Registry or the title to which is required to be so registered:

- (i) give the Land Registry written notice of this Deed; and
- (ii) procure that notice of this Deed is clearly noted in the Register to each such title.

11.7 Real Property undertakings - maintenance

- (a) The Chargor shall maintain all buildings and erections forming part of the Security Assets in a reasonable state of repair.
- (b) The Chargor shall not, except with the prior written consent of the Security Holder (such consent not to be unreasonably withheld):
 - (i) confer on any person any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
 - (ii) confer on any person any right or licence to occupy any land or buildings forming part of the Real Property; or
 - (iii) grant any licence to assign or sub-let any part of the Real Property.
- (c) The Chargor shall not carry out any development within the meaning of the Planning Acts in or upon any part of the Real Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure of, or a change of use of, any part of the Real Property, without first obtaining the written consent of the Security Holder.
- (d) The Chargor shall not do, or permit to be done, anything as a result of which any lease may be liable to forfeiture or otherwise be determined.
- (e) The Chargor shall permit the Security Holder and any person nominated by it at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it.

11.8 Insurance

- (a) The Chargor shall maintain insurances with a reputable independent insurer on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.
- (b) If at any time the Chargor defaults in:
 - (i) effecting or keeping up the insurances required under clause 11.8(a); or
 - (ii) producing any insurance policy or receipt to the Security Holder on demand,

the Security Holder may (without prejudice to its rights under clause 12 (*Power to remedy*)) take out or renew such policies of insurance in any sum which the Security Holder may reasonably think expedient. All monies which are expended by the Security Holder in doing so shall be deemed to be properly paid by the Security Holder and shall be reimbursed by the Chargor on demand.

- (c) The Chargor shall notify the Security Holder if any claim arises or may be made under the Insurances.
- (d) The Chargor shall, subject to the rights of the Security Holder under clause 11.8(e), diligently pursue its rights under the Insurances.
- (e) In relation to the proceeds of Insurances, all claims and monies received or receivable under any Insurances shall (subject to the rights or claims of any lessor or landlord of any part of the Security Assets) be applied in repairing, replacing, restoring or rebuilding the property damaged or destroyed or, after the occurrence of a Termination Event which is continuing, in permanent reduction of the Secured Obligations.

11.9 Intellectual Property

The Chargor will:

- (a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business;
- (b) use reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property;
- (c) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property;
- (d) not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil the rights of the Chargor to use such property; and
- (e) not discontinue the use of the Intellectual Property.

11.10 Dealings with and realisation of Receivables and operation of Security Accounts

- (a) Subject to the Intercreditor Agreement, the Chargor shall:
 - (i) without prejudice to clause 11.1 (*Negative pledge and Disposals*) (but in addition to the restrictions in that clause), not, without the prior written consent of the Security Holder, sell, assign, charge, factor or discount or in any other manner deal with any Receivable (save where any sale, assignment, charge, factoring, discounting or other dealing with any Receivable constitutes a Permitted Payment or Permitted Disposal);
 - (ii) collect all Receivables promptly in the ordinary course of trading as agent for the Security Holder; and
 - (iii) following a Termination Event which is continuing, immediately upon receipt pay all monies which it receives in respect of the Receivables into:
 - (A) such specially designated account(s) with the Account Bank as the Security Holder may from time to time direct; or

- (B) such other account(s) with such other bank as the Security Holder may from time to time direct,

(each such account(s) together with all additions to or renewals or replacements thereof (in whatever currency) being a "Security Account"); and
- (iv) pending such payment, hold all monies so received upon trust for the Security Holder.
- (b) Following a Termination Event which is continuing, subject to the provisions of the Facility Agreement, the Intercreditor Agreement and the New Tripartite Agreement, the Chargor shall deal with the Receivables (both collected and uncollected) and the Security Accounts in accordance with any directions given in writing from time to time by the Security Holder and, in default of and subject to such directions, in accordance with this Deed.

11.11 Operation of Security Accounts

- (a) Subject to the Intercreditor Agreement, save where such withdrawal is expressly permitted in accordance with the provisions of the Facility Agreement, the Chargor shall not withdraw, attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Security Account without the prior written consent of the Security Holder and the Security Holder shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer.
- (b) Subject to the Intercreditor Agreement, if any right of the Chargor to withdraw the proceeds of any Receivables standing to the credit of a Security Account results in the charge over that Security Account being characterised as a floating charge, that will not affect the nature of any other fixed security created by the Chargor under this Deed on all its outstanding Receivables.

11.12 Account Bank and notices

- (a) The initial Account Bank is the Lender.
- (b) Where any Security Account of the Chargor is not maintained with the Lender, the Chargor shall deliver to relevant Account Bank a duly completed notice and procure that such Account Bank executes and delivers to the Lender an acknowledgement, in each case in the respective forms set out in schedule 2 (*Form of notice to and acknowledgment from Account Bank*).

11.13 Charged Investments - protection of Security

- (a) The Chargor shall, immediately upon execution of this Deed or (if later), as soon as is practicable after its acquisition of any Charged Securities in certificated form, by way of security for the Secured Obligations:
 - (i) deposit with the Security Holder (or as the Security Holder may direct), all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights; and

- (ii) execute and deliver to the Security Holder:
 - (A) instruments of transfer in respect of the Charged Securities (executed in blank and left undated), and/or
 - (B) such other documents as the Security Holder shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser).
- (b) The Chargor shall:
 - (i) promptly give notice to any custodian of any agreement with the Chargor in respect of any Charged Investment in a form the Security Holder may require; and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form the Security Holder may require.
- (c) If so requested by the Security Holder, the Chargor shall:
 - (i) instruct any clearance system to transfer any Charged Investment held by it for the Chargor or its nominee to an account of the Security Holder or its nominee with such clearance system; and
 - (ii) take whatever action the Security Holder may request for the dematerialisation or rematerialisation of any Charged Investment held in a clearance system.
- (d) Without prejudice to the rest of this clause 11.13, the Security Holder may, at the expense of the Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Charged Investments.
- (e) The Chargor shall promptly pay all calls or other payments which may become due in respect of the Charged Investments.
- (f) The Chargor shall not nominate another person to enjoy or exercise all or any of its specified rights in relation to its Charged Investments, as contemplated by section 145 of the Companies Act 2006 or otherwise.
- (g) Without limiting its obligations under clause 11.3(e), the Chargor shall comply with all requests for information within its knowledge relating to the Charged Investments which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if the relevant company were a public limited company or under any similar provision relating to the Charged Investments and, if it fails to do so, the Security Holder may provide such information as it may have on behalf of the Chargor.

11.14 Rights in respect of Charged Investments

- (a) Until an Enforcement Event occurs, the Chargor shall be entitled to:
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities; and

- (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which:
 - (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Related Rights; or
 - (B) which is prejudicial to the interests of the Security Holder and/or the other Secured Parties under this Deed.
- (b) At any time following the occurrence of an Enforcement Event which is continuing, the Security Holder may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select.
- (c) At any time when any Charged Security is registered in the name of the Security Holder or its nominee, the Security Holder shall be under no duty to:
 - (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee; or
 - (ii) verify that the correct amounts are paid or received; or
 - (iii) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Security.

11.15 Relevant Contracts

Subject to the Intercreditor Agreement, the Chargor shall deal with the Relevant Contracts in accordance with the provisions of the Facility Agreement (or any replacement agreement entered from time to time).

12. POWER TO REMEDY

12.1 Power to remedy

If at any time the Chargor does not comply with any of its obligations under this Deed, the Security Holder (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Security Holder and its employees and agents by way of security to do all such things (including entering the property of the Chargor) which are necessary or desirable to rectify that default.

12.2 Mortgagee in possession

The exercise of the powers of the Security Holder under this clause 12 shall not render it or any other Secured Party liable as a mortgagee in possession.

12.3 Monies expended

The Chargor shall pay to the Security Holder on demand any monies which are expended by the Security Holder in exercising its powers under this clause 12, together with interest at the Default Rate from the date on which those monies were expended by the Security Holder

(both before and after judgment) and otherwise in accordance with clause 2.2 (*Default interest*).

13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 When enforceable

This Debenture Security shall become immediately enforceable upon the occurrence of an event of default or termination event (howsoever defined) in any financing agreement between any Lender Group Member and the Chargor (subject to any applicable grace periods) and at any time following the occurrence of any of the following events and shall remain so for so long as such event is continuing:

- (a) if the Chargor has failed to pay all or any of the Secured Obligations following a demand for payment by the Secured Party to whom such Secured Obligations are owed;
- (b) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to appoint an administrator in respect of the Chargor;
- (c) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to wind up or dissolve the Chargor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer of the Chargor or any part of its undertaking or assets;
- (d) the making of a request by the Chargor for the appointment of a Receiver or administrator;
- (e) any other indebtedness of the Chargor is:
 - (i) not paid when due nor within any applicable grace period;
 - (ii) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
 - (iii) any commitment for indebtedness is cancelled or suspended as a result of an event of default (however described);
- (f) if the Chargor breaches any of the provisions of this Deed;
- (g) the Chargor rescinds or purports to rescind or repudiate or evidence an intention to rescind or repudiate this Deed.

13.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Enforcement Event and for so long as such Enforcement Event is continuing.

13.3 Enforcement

After this Debenture Security has become enforceable, the Security Holder may in its absolute discretion enforce all or any part of the Debenture Security in such manner as it sees fit.

14. ENFORCEMENT OF SECURITY

14.1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Debenture Security.

14.2 Powers of leasing

The statutory powers of leasing conferred on the Security Holder are extended so as to authorise the Security Holder to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Holder may think fit and without the need to comply with section 99 or 100 of the Act.

14.3 Powers of Security Holder

- (a) At any time after the Debenture Security becomes enforceable (or if so requested by the Chargor by written notice at any time), the Security Holder may without further notice (unless required by law):
 - (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
 - (iv) exercise (in the name of the Chargor and without any further consent or authority of the Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Charged Investment is registered or who is the holder of any of them.
- (b) The Security Holder is not entitled to appoint a Receiver in respect of any Security Assets which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

14.4 Redemption of prior mortgages

At any time after the Debenture Security has become enforceable, the Security Holder may:

- (a) redeem any prior Security against any Security Asset; and/or

- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on the Chargor.

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Security Holder on demand.

14.5 Privileges

- (a) Each Receiver and the Security Holder is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the 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 No. 3226)) each Receiver and the Security Holder shall have the right after this Debenture Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (c) For the purpose of clause 14.5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Security Holder reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

14.6 No Liability

- (a) Neither the Security Holder, any other Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 14.6(a), neither the Security Holder, any other Secured Party 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.

14.7 Protection of third parties

No person (including a purchaser) dealing with the Security Holder or any Receiver or Delegate will be concerned to enquire:

- (a) whether the Secured Obligations have become payable; or
- (b) whether any power which the Security Holder or the Receiver is purporting to exercise has become exercisable; or
- (c) how any money paid to the Security Holder or to the Receiver is to be applied.

15. RECEIVER

15.1 Removal and replacement

The Security Holder may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

15.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

15.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Holder (or, failing such agreement, to be fixed by the Security Holder).

15.4 Payment by Receiver

Only monies actually paid by a Receiver to the Security Holder in relation to the Secured Obligations shall be capable of being applied by the Security Holder in discharge of the Secured Obligations.

15.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor. The Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Secured Party shall incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

16. POWERS OF RECEIVER

16.1 General powers

Any Receiver shall have:

- (a) all the powers which are conferred on the Security Holder by clause 14.3 (*Powers of Security Holder*);
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (d) all powers which are conferred by any other law conferring power on receivers.

16.2 Additional powers

In addition to the powers referred to in clause 16.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets and the business of the Chargor as he thinks fit;
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act and without limitation:
 - (i) fixtures may be severed and sold separately from the Real Property containing them, without the consent of the Chargor;
 - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;
- (g) to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Holder shall direct);

- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- (k) to form one or more Subsidiaries of the Chargor, and to transfer to any such Subsidiary all or any part of the Security Assets;
- (l) to operate any rent review clause in respect of any Real Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease; and
- (m) to:
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - (iii) use the name of the Chargor for any of the above purposes.

17. APPLICATION OF PROCEEDS

17.1 Application

All monies received by the Security Holder or any Receiver after the Debenture Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Debenture Security) be applied in the following order:

- (a) *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by the Security Holder, any other Secured Party or any Receiver or Delegate and of all remuneration due to the Receiver in connection with this Deed or the Security Assets;
- (b) *secondly*, in or towards satisfaction of the remaining Secured Obligations in accordance with clause 17.3 (*Appropriation and suspense account*); and
- (c) *thirdly*, in payment of any surplus to the Chargor or other person entitled to it.

17.2 Contingencies

If the Debenture Security is enforced at a time when no Secured Obligations are due, the Security Holder or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account.

17.3 Appropriation and suspense account

- (a) Subject to clause 17.1 (*Application*), the Security Holder shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by the Chargor.

- (c) All monies received, recovered or realised by the Security Holder under or in connection with this Deed may at the discretion of the Security Holder be credited to a separate interest-bearing suspense account for so long as the Security Holder determines (with interest accruing thereon at such rate (if any) as the Security Holder usually grants for accounts of that size and nature without the Security Holder having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full.

18. SET-OFF

18.1 Set-off rights

- (a) The Chargor agrees that any money from time to time standing to its credit on any account (whether current, deposit, loan or of any other nature whatsoever) with the Security Holder or any other Secured Party may be retained as cover for and/or applied by the Security Holder or any other Secured Party at any time and without notice to the Chargor (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards payment or discharge of the Secured Obligations or such part of them as the Security Holder or other Secured Party may select.
- (b) If the Security Holder or any other Secured Party exercises any rights in respect of any money as referred to in clause 18.1(a) (including, without limitation, any rights of set-off, accounting or retention or similar rights) in relation to any liability of the Chargor and that liability or any part of it is in a different currency from any credit balance against which the Lender seeks to exercise its rights, the Security Holder or other Secured Party may use the currency of the credit balance to purchase an amount in the currency of the liability at the relevant Secured Party's spot rate of exchange and to pay out of the credit balance all costs, charges and expenses incurred by that Secured Party in connection with that purchase.
- (c) No Secured Party shall be liable for any loss of interest caused by the determination before maturity of any deposits or any loss caused by the fluctuation in any exchange rate at which any currency may be bought or sold by that Secured Party.
- (d) Any Lender Group Member may rely on this clause 18 subject to the provisions of the Third Parties Act.

18.2 Time deposits

Without prejudice to clause 18.1 (*Set-off*), if any time deposit matures on any account which the Chargor has with the Security Holder or any other Secured Party at a time within the Security Period when:

- (a) this Debenture Security has become enforceable; and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Security Holder or other Secured Party in its absolute discretion considers appropriate unless the Security Holder or relevant Secured Party otherwise agrees in writing.

19. DELEGATION

Each of the Security Holder and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Holder nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

20. FURTHER ASSURANCES

20.1 Further action

The Chargor shall, at its own expense, immediately do all acts and execute all documents as the Security Holder or a Receiver may reasonably specify (and in such form as the Security Holder or a Receiver may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed; and
- (b) facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Security Holder, or any Receiver or any Delegate in respect of any Security Asset; or
- (d) creating and perfecting Security in favour of the Security Holder over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to this Deed.

This includes:

- (i) the re-execution of this Deed;
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Security Holder or to its nominee; and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Holder may think expedient.

20.2 Security Documents

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Holder.

20.3 Specific security

Without prejudice to the generality of clause 20.1 (*Further action*), the Chargor will immediately upon request by the Security Holder execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed

security under this Deed (including any fixed security arising or intended to arise pursuant to clause 6 (*Conversion of floating charge*)).

21. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Security Holder, each Receiver and any Delegate to be its attorney to take any action which the Chargor is obliged to take under this Deed, including under clause 20 (*Further assurances*), which the Chargor has failed to take. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

22. PAYMENTS

22.1 Payments

Subject to clause 22.2 (*Gross-up*), all payments to be made by the Chargor in respect of this Deed shall be made:

- (a) in immediately available funds to the credit of such account as the Security Holder may designate; and
- (b) without (and free and clear of, and without any deduction for, or on account of):
 - (i) any set-off or counterclaim; or
 - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax.

22.2 Gross-up

If the Chargor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Security Holder or any other Secured Party, the sum so payable by the Chargor shall be increased so as to result in the receipt by the Security Holder or such other Secured Party of a net amount equal to the full amount expressed to be payable under this Deed.

23. COSTS AND EXPENSES

23.1 Enforcement and preservation costs

The Chargor shall promptly on demand pay to the Security Holder, each other Secured Party and any Receiver the amount of all costs, charges and expenses (including, without limitation, legal fees (and any VAT or similar Tax thereon)) incurred by any of them in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or the Security (including all remuneration of the Receiver).

23.2 Default interest

Any amount demanded under 23.1 (*Enforcement and preservation costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those costs, charges or expenses were paid, incurred or charged by the relevant person and otherwise in accordance with clause 2.2 (*Default interest*).

).

23.3 Third Parties Act

Any Lender Group Member may rely on this clause 21 subject to the provisions of the Third Parties Act.

24. CURRENCIES

24.1 Conversion

All monies received or held by the Security Holder or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Holder or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Holder's spot rate of exchange. The Chargor shall indemnify the Security Holder against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Holder nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

24.2 Currency indemnity

No payment to the Security Holder (whether under any judgment or court order or in the liquidation, administration or dissolution of the Chargor or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made, unless and until the Security Holder shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, the Security Holder shall have a further separate cause of action against the Chargor and shall be entitled to enforce the Security to recover the amount of the shortfall.

25. INDEMNITY

The Chargor shall indemnify the Security Holder, each other Secured Party, any Receiver and any attorney, agent or other person appointed by the Security Holder under this Deed and the Security Holder's officers and employees (each an "**Indemnified Party**") on demand against any cost, loss, liability or expense (however arising) incurred by any Indemnified Party as a result of or in connection with:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed;
- (b) the Security Assets or the use or holding of them by any person ; or
- (c) any breach by the Chargor of any of its obligations under this Deed.

Any Lender Group Member may rely on this clause 25 subject to the provisions of the Third Parties Act.

26. CHANGES TO THE PARTIES

26.1 Charging Companies

The Chargor may not assign any of its rights or obligations under this Deed.

26.2 Security Holder

Subject to compliance with the provisions of clause 28 (*Changes to the Lender*) of the Facility Agreement for such period as the Facility Agreement is in force, the Security Holder may assign or transfer all or any part of its rights under this Deed. The Chargor shall, immediately upon being requested to do so by the Security Holder, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

27. MISCELLANEOUS

27.1 New accounts

- (a) If the Security Holder or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee ceases to continue in force and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for the Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Security Holder or any other Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

27.2 Tacking

- (a) Each Secured Party shall perform its obligations (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

27.3 Land Registry

- (a) The Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Security Holder) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at the Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted:

"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 [♦] 2016 in favour of Santander UK plc referred to in the charges register or their conveyancer."

- (b) The Chargor:
 - (i) authorises the Security Holder to make any application which the Security Holder deems appropriate for the designation of this Deed as an exempt information document under rule 136 of the Land Registration Rules 2003;
 - (ii) shall use its best endeavours to assist with any such application made by or on behalf of the Security Holder; and

- (iii) shall notify the Security Holder 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 following its designation as an exempt information document.
- (c) The Chargor shall 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.
- (d) The Chargor shall promptly make all applications to and filings with Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Debenture Security.

28. NOTICES

28.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax, letter or by such other means as the Parent and the Lender may agree from time to time.

28.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

- (a) in the case of the Chargor, that identified with its name below; and
- (b) in the case of the Security Holder, that identified with its name below,

or any substitute address, fax number or department or officer as the Chargor may notify to the Security Holder (or the Security Holder may notify to the Chargor, if a change is made by the Security Holder) by not less than five Business Days' notice.

28.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of fax, when received in legible form;
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; OR
 - (iii) if through Client Access, at the time of sending,
 and, if a particular department or officer is specified as part of its address details provided under clause 28.2 (*Addresses*), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Security Holder will be effective only when actually received by the Security Holder and then only if it is expressly marked for the attention of the department or officer identified with the

Security Holder's signature below (or any substitute department or officer as the Security Holder shall specify for this purpose).

- (c) Any communication or document which becomes effective, in accordance with clauses 28.2(a) and 28.2(b), after 5.00pm in the place of receipt shall be deemed only to become effective on the following day.

28.4 Notification of address and fax number

Promptly upon changing its address or fax number, the Security Holder shall notify the Chargor.

28.5 Electronic communication

- (a) Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if the Parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any electronic communication made between the Parties will be effective only when actually received in readable form and in the case of any electronic communication made by the Chargor to the Security Holder only if it is addressed in such a manner as the Security Holder shall specify for this purpose.
- (c) Any electronic communication which becomes effective, in accordance with clause 28.5(b), after 5.00pm in the place of receipt shall be deemed only to become effective on the following day.

28.6 English language

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Holder, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

29. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Security Holder or any other Secured Party specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is in the absence of manifest error, conclusive evidence

against the Chargor of the matters to which it relates. Any Lender Group Member may rely on this clause 29 subject to the provisions of the Third Parties Act.

30. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

31. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Security Holder or any other Secured Party, any right or remedy under this Deed or otherwise in respect of the Secured Obligations shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law. Any Lender Group Member may rely on this clause 31 subject to the provisions of the Third Parties Act.

32. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Security Holder and the Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Holder so agrees in writing. A waiver given or consent granted by the Security Holder under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

33. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

34. RELEASE

34.1 Release

Upon the expiry of the Security Period (but not otherwise) the Security Holder shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

34.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Holder may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

35. GOVERNING LAW

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

36. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This clause 36 is for the benefit of the Security Holder and the other Secured Parties only. As a result, the Security Holder and each other Secured Party shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Holder and each other Secured Party may take concurrent proceedings in any number of jurisdictions.

IN WITNESS of which this Deed has been duly executed by the Original Chargor as a deed and duly executed by the Security Holder and has been delivered on the first date specified on page 1 of this Deed by the Original Chargor.

SCHEDULE 1: DETAILS OF SECURITY ASSETS

Part 1: Real Property

Registered land			
Address	Administrative area		Title number
Intentionally left blank			
Unregistered land			
Address	Document describing the Real Property		
	Date	Document	Parties
Intentionally left blank			

Part 2: Relevant Contracts

Date of Relevant Contract	Parties	Details of Relevant Contract
24 October 2016	(1) The Chargor (2) ICT Reverse Asset Management Limited	Master Sale Agreement

**SCHEDULE 2: FORM OF NOTICE TO AND ACKNOWLEDGEMENT FROM ACCOUNT
BANK**

To: *[Name and address of Account Bank]*

Dated: [◆]] 20[◆]

Dear Sirs

Re:	Account Holder: [◆]] (the "Chargor")
	Security Account Nos: [◆]] (the "Security Account[s]")
	Account Branch: [◆]]

1. We give notice that, by a debenture dated [◆]] 20[◆] (the "**Debenture**"), we have charged to [◆]] (the "**Security Holder**") all our present and future right, title and interest in and to:
 - (a) the Security Accounts (as defined in this letter), all monies from time to time standing to the credit of the Security Accounts and all additions to or renewals or replacements thereof (in whatever currency); and
 - (b) all other accounts from time to time maintained with you by us and all monies at any time standing to the credit of such accounts,(together the "**Charged Accounts**") and to all interest from time to time accrued or accruing on the Charged Accounts, any investment made out of any such monies or account and all rights to repayment of any of the foregoing by you.
2. We advise you that, under the terms of the Debenture, we are not entitled to withdraw any monies from the Security Accounts without first having obtained the written consent of the Security Holder.
3. We irrevocably authorise and instruct you from time to time unless the Security Holder so authorises you in writing, not to permit withdrawals from the Security Accounts.
4. We further hereby irrevocably authorise and instruct you from time to time:
 - (a) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Holder;
 - (b) to pay all or any part of the monies standing to the credit of the Charged Accounts to the Security Holder (or as it may direct) promptly following receipt of written instructions from the Security Holder to that effect;
 - (c) to disclose to the Security Holder such information relating to us and the Charged Accounts as the Security Holder may from time to time request you to provide; and
 - (d) following receipt of notice from the Security Holder, instructing you that we are no longer entitled to withdraw monies from the Charged Accounts to refuse any such

requests unless such request has the prior and specific written consent of the Security Holder.

5. We agree that you are not bound to enquire whether the right of the Security Holder to withdraw any monies from any Charged Account has arisen or be concerned with (a) the propriety or regularity of the exercise of that right or (b) notice to the contrary or (c) to be responsible for the application of any monies received by the Security Holder.
6. This notice may only be revoked or amended with the prior written consent of the Security Holder.
7. Please confirm by completing the enclosed copy of this notice and returning it to the Security Holder (with a copy to us) that you agree to the above and that:
 - (a) you accept the authorisations and instructions contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Holder, received notice of any assignment or charge of or claim to the monies standing to the credit of any Charged Account or the grant of any security or other interest over those monies or any Charged Account in favour of any third party and you will notify the Security Holder promptly if you should do so in the future; and
 - (c) you do not at the date of this notice and will not in the future exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts.
8. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[NAME OF CHARGOR]

Countersigned by

for and on behalf of
[NAME OF SECURITY HOLDER]

[On copy]

To: [◆]
as Security Holder
[ADDRESS]

Copy to: [NAME OF CHARGOR]

We acknowledge receipt of the above notice. We confirm and agree:

- (a) that the matters referred to in it do not conflict with the terms which apply to any Charged Account; and
- (b) the matters set out in paragraph 7 of the above notice.

for and on behalf of
[Name of Account Bank]

Dated: [◆] 20[◆]

**SCHEDULE 3: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY PARTY TO
RELEVANT CONTRACT**

To: *[Insert name and address of relevant party]*

Dated: [◆] 20[◆]

Dear Sirs

**RE: [DESCRIBE RELEVANT CONTRACT] DATED [◆] 20[◆] BETWEEN (1)
YOU AND [◆] AND (2) [◆] (THE "CHARGOR")**

1. We give notice that, by a debenture dated [◆] 20[◆] (the "**Debenture**"), we have assigned to [◆] (the "**Security Holder**") all our present and future right, title and interest in and to *[insert details of Relevant Contract]* (together with any other agreement supplementing or amending the same, the "**Agreement**") including all rights and remedies in connection with the Agreement and all proceeds and claims arising from the Agreement.
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Holder at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure), such information relating to the Agreement as the Security Holder may from time to time request;
 - (b) if the Security Holder so directs, to hold all sums from time to time due and payable by you to us under the Agreement to the order of the Security Holder;
 - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Agreement only in accordance with the written instructions given to you by the Security Holder from time to time;
 - (d) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Debenture or the Agreement or the debts represented thereby which you receive at any time from the Security Holder without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
 - (e) to send copies of all notices and other information given or received under the Agreement to the Security Holder.
3. We are not permitted to agree any amendment or supplement to, or waive any obligation under, the Agreement without the prior written consent of the Security Holder.
4. Unless otherwise specified by the Security Holder, we are permitted to continue to receive from you any amount in respect of or on account of the sums payable to us from time to time under the Agreement.
5. This notice may only be revoked or amended with the prior written consent of the Security Holder.

6. Please confirm by completing the enclosed copy of this notice and returning it to the Security Holder (with a copy to us) that you agree to the above and that:
- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Holder, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Agreement or any proceeds of it and you will notify the Security Holder promptly if you should do so in future;
 - (c) you will continue to permit any sums to be paid to us or any other person under or pursuant to the Agreement until notified otherwise by the Security Holder; and
 - (d) you will not exercise any right to terminate the Agreement or take any action to amend or supplement the Agreement without the prior written consent of the Security Holder.
7. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[NAME OF CHARGOR]

[On copy]

To: [◆]
as Security Holder
[ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph 6 in the above notice.

for and on behalf of
[Name of relevant party]

Dated: [◆] 20[◆]

SCHEDULE 4: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To: [Insert name and address of insurer]

Dated: [◆]] 20[◆]

Dear Sirs

[DESCRIBE INSURANCE POLICIES] DATED [◆]] 20[◆] BETWEEN (1) YOU AND (2) [◆]] (THE "CHARGOR")

1. We give notice that, by a debenture dated [◆]] 20[◆] (the "Debenture"), we have [assigned] to [◆]] (the "Security Holder") all our present and future right, title and interest in and to the Policies (together with any other agreement supplementing or amending the same, the "Policies") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies.
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Holder at our expense without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Policies as the Security Holder may from time to time request;
 - (b) if the Security Holder so directs, to hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Holder;
 - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Security Holder from time to time;
 - (d) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Debenture, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Security Holder (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction); and
 - (e) to send copies of all notices and other information given or received under the Policies to the Security Holder.
3. We irrevocably instruct you, with effect from the date of this notice, to note on the relevant Policies the Security Holder's interest as loss payee and as first priority assignee of the Policies and the rights, remedies, proceeds and claims referred to above.
4. We are not permitted to receive from you, otherwise than through the Security Holder, any amount in respect of or on account of the sums payable to us from time to time under the Policies or to agree any amendment or supplement to, or waive any obligation under, the Policies without the prior written consent of the Security Holder.
5. This notice may only be revoked or amended with the prior written consent of the Security Holder.
6. Please confirm by completing the enclosed copy of this notice and returning it to the Security Holder (with a copy to us) that you agree to the above and that:

- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Holder, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Security Holder promptly if you should do so in future;
 - (c) you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Security Holder; and
 - (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 the prior written consent of the Security Holder.
7. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[NAME OF CHARGOR]

[*On copy*]

To: [◆]
as Security Holder
[ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph 6 in the above notice.

for and on behalf of
[*Name of relevant insurer*]

Dated: [◆] 20[◆]

EXECUTION PAGES

THE CHARGOR

Executed as a deed, but not delivered until the)
first date specified on page 1, by)
RENTSMART LIMITED by a director in the)
presence of a witness:)
)

Signature _____

Name (block capitals) _____

Director

Witness signature _____

Witness name
(block capitals) _____

Witness address

Address: 7th Floor Oakland House, Talbot Road, Old Trafford, Manchester,
Greater Manchester M16 0PQ

Facsimile No: 0161 333 2450

Attention: Gary Halton

THE SECURITY HOLDER

Signed by _____ for)
and on behalf of **SANTANDER UK PLC:**)
)

Signature _____

Address: 298 Deansgate Manchester M3 4HH

Facsimile No: 0161 953 3301

Attention: David Chell/Paul Sutcliffe

EXECUTION PAGES

THE CHARGOR

Executed as a deed, but not delivered until the)
first date specified on page 1, by)
RENTSMART LIMITED by a director in the)
presence of a witness:)

Signature

[Redacted Signature]

Name (block capitals)

GARY HALTON
Director

Witness signature

[Redacted Witness Signature]

Witness name
(block capitals)

LEESA HALTON

Witness address

[Redacted Witness Address]
[Redacted Witness Address]
[Redacted Witness Address]

Address: 7th Floor Oakland House, Talbot Road, Old Trafford, Manchester,
Greater Manchester M16 0PQ

Facsimile No: 0161 333 2450

Attention: Gary Halton

THE SECURITY HOLDER

Signed by _____ for)
and on behalf of **SANTANDER UK PLC:**)
)

Signature _____

Address: 298 Deansgate Manchester M3 4HH

Facsimile No: 0161 953 3301

Attention: David Chell/Paul Sutcliffe