



Registration of a Charge

Company name: **ILIAD (LEVER COURT) LIMITED**

Company number: **04949810**



X4HGWUQ2

Received for Electronic Filing: **06/10/2015**

Details of Charge

Date of creation: **01/10/2015**

Charge code: **0494 9810 0004**

Persons entitled: **NATIONWIDE BUILDING SOCIETY**

Brief description: **37-41 (ODD) DUKE STREET AND 14-18 (EVEN) GRADWELL STREET,
LIVERPOOL L1 5AP (REGISTERED UNDER TITLE NUMBER MS302405)**

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 THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by:

DWF LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4949810

Charge code: 0494 9810 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st October 2015 and created by ILIAD (LEVER COURT) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th October 2015 .

Given at Companies House, Cardiff on 7th October 2015

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 01 October 2015

Nationwide Building Society

DEBENTURE

Chargor: Iliad (Lever Court) Limited
Borrower: Ajax Limited

IMPORTANT – PLEASE READ THIS NOTE BEFORE THIS DEBENTURE IS EXECUTED

This Debenture is an important legal document. Nationwide strongly recommends that you seek the advice of your solicitor or other legal adviser before executing this Debenture.

- This is a Debenture over all your assets
- Nationwide will hold this Debenture as security for all your debts and other liabilities owed to Nationwide. This includes all present and future loans or facilities Nationwide has granted or may in the future grant to you.
- Your liabilities under this Debenture will include any liabilities owed under any guarantee which you have given or may give to Nationwide in the future.
- If any of your debts or liabilities secured by this Debenture are not paid when due Nationwide can appoint a Receiver, or take possession of the assets charged by this Debenture and sell them.
- This Debenture is separate from and not limited by any other security or guarantee which you may have already given or may give to Nationwide in the future.
- This Debenture contains other terms which affect you.

THIS DEBENTURE dated 01 October 2015 is made BETWEEN
the Chargor and NATIONWIDE BUILDING SOCIETY whose principal office is at Nationwide House, Pipers Way, Swindon,
SN38 1NW ("Nationwide")

1 Meaning of certain words

1.1 Definitions

In this Debenture, unless the context otherwise requires:

Authority	means any governmental body, agency, department or regulatory, self-regulatory or other authority including, without limitation, local and public authorities and statutory undertakings;
Borrower	means the entity whose details appear in Part B of the Schedule;
Charged Assets	means all the property, assets and rights of the Chargor described in clauses 3.1 and 3.2;
Charged Debts	means the debts, revenues and claims described in clause 3.1(e);
Charged Property	means the property, assets and rights of the Chargor charged by this Debenture;
Chargor	means the entity whose details appear in Part A of the Schedule;
Consents	means all approvals, authorisations, consents, licences, permissions, filings and registrations which it is necessary or advisable to obtain from any Authority or, without limitation, any third party;
Default Rate	means the default interest rate specified in the Facility Letter and if there is more than one Facility Letter and more than one default rate the different default rates shall be applied to such parts of the Indebtedness as Nationwide shall in its absolute discretion deem appropriate;
Designated Account	the bank account referred to in clause 4.2(h);
Disposal	means a sale, transfer, assignment, declaration of trust or other disposal (including by way of lease, tenancy or loan) by a person of all or part of its assets, whether by one transaction or a series of transactions and whether at the same time or over a period of time and "dispose" shall be construed accordingly;
Enforcement Date	means the date on which Nationwide demands the payment or discharge of all or any part of the Indebtedness or after the occurrence of an Event of Default or, if earlier, the date on which an application for an administration order is presented or any other formal step is taken with a view to appointing an administrator in relation to the Chargor;
Environment	means all gases, air, water vapour, controlled waters (including ground and surface water), soil (surface and sub-surface), flora and fauna and all other natural resources;
Environmental Approvals	means all Consents of any kind relating to Environmental Laws to which the Chargor or the Property or the use or occupation of the Property is subject;
Environmental Claims	means any claim by any person in respect of losses or liabilities suffered or incurred by that person as a result of or in connection with any violation of Environmental Laws or Environmental Approvals or giving rise to any remedy or penalty that may be enforced or assessed by private or public legal action as a result of Environmental Contamination or any application for any interim or final judicial or administrative decree, injunction, cease and desist order, abatement order, compliance order, consent order, clean-up order or enforcement notice, stop notice, improvement notice, prohibition notice or revocation order in respect of Environmental Contamination or any other remedial action or action to comply that the Chargor is obliged to undertake pursuant to Environmental Laws in respect of Environmental Contamination;

Environmental Contamination	means the following and their consequences: <ul style="list-style-type: none"> (a) any release, leakage or spillage at or from any site owned or occupied by the Chargor into any part of the Environment of any toxic, poisonous, noxious or polluting matter or hazardous, detrimental or dangerous substances or thing; (b) any accident, fire, explosion or sudden event which affects the Environment and is attributable to the operation, management or control of any site occupied by the Chargor including (without limitation) the storage, keeping, handling, labelling or disposal of waste (as defined in the Environmental Protection Act 1990) or hazardous, toxic or dangerous substances; and (c) any designation of land as contaminated land for the purposes of Part IIA of the Environmental Protection Act 1990.
Environmental Laws	includes all or any laws, statutes, rules, regulations, treaties, directives, bye-laws, directions, codes of practice, circulars, guidance notes, orders, notices, demands, decisions of the courts of any Authority or any other body whatsoever having jurisdiction which at any time relate to the Environment or Environmental Contamination or standards of conduct applicable to the Property or the occupation or use of the Property or the operation of any business from or using the Property;
Event of Default	has the meaning given to it in the Facility Letter;
Facility Letter	means at any time the facility letter issued by Nationwide and accepted by the Borrower in respect of facilities made available by Nationwide to the Borrower and if there is more than one of them, as the context requires, means each and/or all such facility letters;
Fixtures	means all assets of whatsoever nature, apart from land and buildings, forming part of any freehold, leasehold or commonhold property owned by the Chargor;
Floating Charge Assets	means all assets and rights of the Chargor described in clause 3.1(i);
Indebtedness	means all moneys, obligations and liabilities to be paid by the Chargor referred to in clause 2;
Insurances	means all present and future contracts or policies of insurance effected by the Chargor in accordance with this Debenture or to which the Chargor is entitled in respect of the Charged Property;
Occupational Leases	means all leasehold and commonhold interests and other occupational rights whatsoever (including, without limitation, all licences and agreements for leases) in existence from time to time relating to the whole or any part of the Charged Property;
Permitted Charge	means any charge over the Charged Property which has been granted or permitted to subsist with the prior written consent of Nationwide and " Permitted Chargee " shall be construed accordingly;
Planning Acts	means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning and Compensation Act 1991, the Local Government Planning and Land Act 1980, the Countryside and Rights of Way Act 2000 and the Ancient Monuments and Archaeological Areas Act 1979;
Property	means the assets described in clause 3.1(a);
Receiver	means any one or more receivers and/or managers and/or administrative receivers appointed by Nationwide pursuant to this Debenture in respect of the Chargor or over all or any of the Charged Assets;
Regulation	includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any Authority from time to time;

Rights	means all the Chargor's rights, title and interest from time to time in any lease, licence or occupational right whatsoever together with the entire benefit of all the Chargor's rights, title and interest from time to time in any renewal of, replacement of or variation to any such lease, licence or occupational right (including, without limitation, all its rights, title and interest in any Occupational Lease, agreement for any Occupational Lease and any associated agreements which may be granted by the Chargor or any person deriving title from the Chargor from time to time over or in respect of the whole or any part of the Charged Property);
Securities	means the assets of the Chargor described in clause 3.1(d);
Security Right	means any mortgage, debenture, charge (whether fixed or floating), pledge, lien, hypothecation, standard security, assignment by way of security or other security interest or arrangement of any kind having the effect of conferring security of any kind;
Status Change	means: <ul style="list-style-type: none"> (a) an amalgamation of Nationwide with one or more other building societies pursuant to section 93 of the Building Societies Act 1986; or b) a transfer of all or substantially all its engagements (including all the obligations of Nationwide under this Debenture) to another building society pursuant to section 94 of the Building Societies Act 1986; or (c) a transfer of the whole of Nationwide's business to a company pursuant to section 97 of the Building Societies Act 1986; or (d) an alteration in the status of Nationwide by virtue of any statute or statutory provisions which alters, or permits the alteration of, the status of building societies generally or building societies which meet specified criteria to that of an institution authorised under the Financial Services and Markets Act 2000 or to a body which is regulated on a similar basis to an institution authorised under the Financial Services and Markets Act 2000; and " Successor " means the resulting building society, company, institution or body;
Subsidiary	shall have the meaning given to it by section 1159 of the Companies Act 2006;
Transfer	has the meaning set out in clause 19.5(b);
Transferee	has the meaning set out in clause 19.5(b).

2 Indebtedness secured on the Charged Property

2.1 Indebtedness

The Chargor hereby covenants that it will pay to Nationwide all moneys and discharge all obligations and liabilities now or in the future due, owing or incurred to Nationwide by the Chargor when the same become due for payment or discharge whether by acceleration or otherwise. The moneys, obligations or liabilities which are due, owing or incurred to Nationwide may be:

- (a) express or implied;
- (b) present, future or contingent;
- (c) joint or several;
- (d) incurred as principal or under a guarantee or indemnity to Nationwide;
- (e) originally owing to Nationwide or purchased or otherwise acquired by it;
- (f) denominated in Sterling or in any other currency; or
- (g) incurred on any banking or other account or in any other manner whatsoever.

2.2 *Other liabilities*

The liabilities referred to in clause 2.1 shall, without limitation, include:

- (a) all liabilities arising under this Debenture including without limitation under clause 13;
- (b) all liabilities under or in connection with foreign exchange transactions, interest rate swaps and other arrangements entered into for the purpose of limiting exposure to fluctuations in interest or exchange rates; and
- (c) interest (both before and after judgement) to date of payment at such rates and upon such terms specified in the Facility Letter, commission, fees and other charges (including interest rate breakage costs) and all legal and all other costs, charges and expenses (including any internal management, monitoring or enforcement costs, charges and expenses of Nationwide) on a full and unqualified indemnity basis which may be incurred by Nationwide in relation to any of the Indebtedness or any guarantee in respect of any part of the Indebtedness or otherwise in respect of the Chargor or any guarantor of any part of the Indebtedness.

3 *Charges*

3.1 *Fixed and floating charges*

The Chargor with full title guarantee as a continuing security for the payment and discharge of the Indebtedness hereby charges to Nationwide the following property and assets, both present and future, from time to time owned by the Chargor or in which the Chargor may have an interest:

- (a) *Property*: by way of legal mortgage all freehold, leasehold and commonhold property of the Chargor situated in England and Wales (including without limitation the property referred to in Part C of the Schedule) and all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time on such property together with all estates, rights, title, options, easements and privileges appurtenant to, or benefiting, the same including all beneficial interests of the Chargor in the property and in any proceeds of sale or disposal of any part of the property;
- (b) *Plant and machinery*: by way of fixed charge all plant, machinery, vehicles, computer and office and other equipment;
- (c) *Equipment*: by way of fixed charge all tenants' and trade fixtures and fittings, furniture, utensils and wet and dry stock from time to time on the Property;
- (d) *Securities*: by way of fixed charge all stocks, shares, bonds and securities of any kind whatsoever in (and from) any company and all other interests (including but not limited to loan capital) in any person, including all stocks, shares, rights, money or property accruing or offered at any time by way of conversion, redemption, bonus, rights, preference, option, capital reorganisation or otherwise in respect of any stocks, shares, bonds, securities or other interests;
- (e) *Debts*: by way of fixed charge all book and other debts, revenues and claims whether actual or contingent whether arising under contracts or in any other manner whatsoever, due or owing to the Chargor including without limitation:
 - (i) all things in action which may give rise to any debt, claim or revenue;
 - (ii) the benefit of any Security Rights and all rights relating thereto including, without limitation, reservation of proprietary rights, rights of tracing and unpaid vendor's liens and associated rights;
- (f) *Intellectual Property*: by way of fixed charge all patents, patent applications, registered trade marks, applications for registration of trade marks, registered service marks, applications for registration of service marks, unregistered trade marks, trade names, registered designs, registered design applications, design rights, copyrights, computer programs, know-how, confidential information and trade secrets and all other intellectual or intangible property or rights and all licences, agreements and ancillary and connected rights relating to intellectual and intangible property;
- (g) *Agreements*: by way of fixed charge the benefit of all guarantees, indemnities, rent deposits, agreements, contracts, undertakings and warranties;

- (h) *Cash*: by way of fixed charge all bank accounts, cash at bank and all credit balances on any account with Nationwide or with any other person whatsoever including the proceeds of book debts, revenues and claims charged pursuant to clause 3.1(e) which proceeds shall, on payment into the Designated Account cease to be subject to the charge in clause 3.1(e) but shall be subject to the charge in this clause 3.1(h);
- (i) *Floating Charge*: by way of floating charge all the undertakings and all property, assets and rights of the Chargor from time to time not otherwise effectively charged by the provisions of this Debenture. Paragraph 14, Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge contained in this debenture.

3.2 *Assignment*

The Chargor with full title guarantee as a continuing security for the payment and discharge of the Indebtedness hereby assigns to Nationwide the following assets, both present and future, from time to time owned by the Chargor or in which the Chargor may have an interest:

- (a) *Goodwill and uncalled capital*: all goodwill and uncalled capital;
- (b) *Insurances*: all moneys from time to time payable to the Chargor under or pursuant to the Insurances including, without limitation, the refund of any premiums.

3.3 *Assignment provisions*

In respect of the Charged Assets which are assigned to Nationwide under clause 3.2 and clause 8.8:

- (a) they are assigned absolutely but subject to reassignment upon the Indebtedness being paid or discharged in full and there being no future or contingent Indebtedness which may arise, whereupon Nationwide shall, at the request and cost of the Chargor, reassign the Charged Assets to the Chargor;
- (b) Nationwide may (but shall not be obliged to), and the Chargor shall promptly on request by Nationwide (but not otherwise), give to any relevant third parties such notices of assignment as Nationwide shall from time to time require; and
- (c) in respect of any Insurances assigned, Nationwide shall, notwithstanding the assignment, have no responsibility for the performance of the obligations of the Chargor thereunder, and the Chargor shall continue to observe and perform its obligations under the Insurances.

3.4 *Credit balances*

The Chargor irrevocably and unconditionally agrees that if there shall from time to time be any credit balance on any of its accounts with Nationwide, Nationwide shall have the absolute right to refuse to permit such credit balance to be utilised or withdrawn by the Chargor whether in whole or in part if at that time there is outstanding any of the Indebtedness which is due for payment.

3.5 *Financial Collateral*

To the extent that the whole or any part of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of the Chargor hereunder 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)), Nationwide shall have the right to appropriate all or any part of such financial collateral in or towards the satisfaction of the Indebtedness secured by, or pursuant to, this Debenture. For this purpose, the value of such financial collateral so appropriated shall be such amount as Nationwide so determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

3.6 *Land Registry*

The Chargor hereby applies for the registration of the following restriction against each of the registered titles specified in the Schedule (and against any title to any unregistered property specified in Part C of the schedule which is or ought to be the subject of a first registration of title at the Land registry at the date of this charge):

"No disposition of the registered estate by the proprietor of the registered estates is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Nationwide Building Society referred to in the charges register".

3.7 *Further advances*

This Debenture secures further advances made by Nationwide to the Chargor.

4 **Obligations in respect of the Charged Property**

4.1 *Undertakings – positive*

The Chargor undertakes to Nationwide that during the continuance of this security the Chargor shall at all times:

- (a) *Deposit of deeds and Insurances:* subject to the entitlement of any person holding a Permitted Charge deposit with Nationwide (to be held at the risk of the Chargor):
 - (i) all deeds and documents of title relating to the Charged Property and to any subordinate interest in any of them including, without limitation, all Occupational Leases;
 - (ii) the Insurances; and
 - (iii) such other documents relating to the Charged Property as Nationwide may from time to time require;
- (b) *Compliance with covenants:* obtain and maintain all Consents and observe and perform all covenants, stipulations, requirements, court orders, regulations and obligations from time to time affecting the Charged Property and/or the use, ownership, occupation, possession, operation, repair, maintenance or other enjoyment or exploitation of the Charged Property whether imposed by statute, law or regulation, contract, lease, licence, grant or otherwise, carry out all registrations or renewals and not without the prior consent in writing of Nationwide enter into any onerous or restrictive obligations affecting any of the same;
- (c) *To comply with statutes:* comply with all requirements of any Authority, all obligations under any statute, all Consents, bye-laws and regulations relating to the whole or any part of the Charged Property;
- (d) *Pay outgoings:* punctually pay, or cause to be paid, and indemnify Nationwide and/or any Receiver against, all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever (whether parliamentary, municipal, parochial or otherwise) now or at any time during the continuance of this security payable, charged or assessed on or in respect of the Charged Property or any part of it or by the owner or occupier of it;
- (e) *Environmental:*
 - (i) obtain and maintain in full force and effect all Environmental Approvals and ensure that the business and/or operations carried on at the Property comply in all respects with all Environmental Laws and Environmental Approvals;
 - (ii) promptly on becoming aware of it inform Nationwide of any Environmental Claim which has been made or threatened against the Chargor or any occupier of the Property or any of the officers of the Chargor in their capacity as such setting out the action which is to be taken with respect to that Environmental Claim; and
 - (iii) notify Nationwide promptly on becoming aware of any Environmental Contamination at or brought on to the Property or circumstances likely to lead to Environmental Contamination which might give rise to any Environmental Claim, and take or procure the taking of all necessary action to deal with, remedy or remove from the Property or prevent the incursion of (as the case may be) that Environmental Contamination or circumstances likely to lead to Environmental Contamination so as to prevent an Environmental Claim, endeavouring always to minimise the danger or harm arising to the Environment;
- (f) *Orders and proposals.* The Chargor shall, forthwith after receipt of any notice, order, direction, designation, resolution, proposal or other matter given or made by any Authority (whether or not under the Planning Acts) and relating to the Charged Property or the area in which the Charged Property is situated (a “notice”):
 - (i) give full written particulars to Nationwide of such notice;

- (ii) if required by Nationwide forthwith, and at the Chargor's cost, take all necessary steps to comply with such notice; and
- (iii) at the request of Nationwide, and at the Chargor's cost, make or join with Nationwide in making such objection or representation against, in respect of, or relating to, such notice as Nationwide may in its discretion require;
- (g) *Breach of condition*: forthwith notify Nationwide, in writing, upon the happening of an event which with the giving of time, fulfilment of a condition or giving of notice would constitute a breach of the obligations on the part of the Chargor contained in this Debenture;
- (h) *Maintenance of Charged Property*: keep the Charged Property in good and substantial repair and in good working order and condition, replacing items beyond repair with equivalent items;
- (i) *Manage*: manage the Property and any person occupying the whole or any part of the Property under any Occupational Lease in accordance with the principles of good estate management and in any manner that Nationwide may in its discretion require;
- (j) *Access*: permit any person authorised by Nationwide access at reasonable times (except in the case of emergency when access may be at any time) to view the state and condition of the Charged Property;
- (k) *Business*: conduct and carry on its business in a proper and efficient manner and not make any substantial alteration in the nature of or mode of conduct of that business and keep or cause to be kept proper books of account relating to such business;
- (l) *Permitted Charge*: punctually pay all sums from time to time due to any Permitted Chargee of the Charged Property and observe and perform the covenants and obligations on the part of the Chargor contained in any Permitted Charge and not without the prior written consent of Nationwide increase or seek to increase the priority of or principal sum owing to any Permitted Chargee;
- (m) *Information*: give to Nationwide such information as Nationwide shall reasonably require as to all matters relating to the Charged Property;
- (n) *Calls*: duly and promptly pay all calls, instalments or other moneys which may from time to time become due in respect of any of the Securities, it being acknowledged by the Chargor that Nationwide shall not in any circumstances incur any liability whatsoever in respect of any such calls, instalments or other moneys.

4.2 ***Undertakings – negative***

The Chargor undertakes to Nationwide that during the continuance of this security the Chargor shall:

- (a) *Alteration or development of the Property*: not without the prior consent in writing of Nationwide make any structural or material alteration to the Property or any premises forming part of the Property or do or permit to be done anything which is "development" or a change of use within the meaning of the Planning Acts from time to time or any orders or regulations under such Acts or do or permit or omit to be done any act, matter or thing as a consequence of which any provision of any statute, bye-law, order or regulation or any condition of any Consent (whether of a public or private nature) from time to time in force affecting the Property is or may be infringed. In the event of Nationwide giving consent to commence and proceed with any works, the Chargor shall, without delay, carry out those works to Nationwide's satisfaction in accordance and within the provisions and conditions of the consent. The Chargor shall not sever, unfix or remove any of the Fixtures or plant or machinery on the Property except for the purposes of effecting any necessary repairs, or of replacing the same with new and improved models;
- (b) *Possession of Property*: not without the prior consent in writing of Nationwide (and then only in accordance with any conditions that may be attached to such consent) dispose of the Property or any estate or interest in it (including without limitation rental income in respect of the Property) or grant any lease, part with possession or share occupation of the whole or any part of the Property or confer any licence, right or interest to occupy or grant any licence or permission to assign, underlet, sublet or part with possession of the same or any part thereof (or agree to do any of these things) or permit any person to:
 - (i) be registered (jointly with the Chargor or otherwise) as proprietor under the Land Registration Acts of the Property (and the Chargor will indemnify Nationwide against the costs of entering any caution against such registration) or create or permit to arise any overriding interest affecting the same within the definition in

those Acts or permit any person to assert any proprietary or other similar right or interest over the Property;
or

- (ii) become entitled to any right, easement, covenant, interest or other title encumbrance which might adversely affect the value or marketability of the Property;
- (c) *Jeopardy*: not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value (whether monetary or otherwise) to Nationwide of the whole or any part of the Charged Property;
- (d) *Security Rights and disposals*: not without the prior written consent of Nationwide:
 - (i) create or purport to create or permit to subsist any Security Right over the whole or any part of the Charged Property other than a lien arising by operation of law (arising in the ordinary course of the Chargor's business and securing amounts not more than 30 days overdue) and any Permitted Charge; or
 - (ii) assign or create a Security Right over, or otherwise deal with the income from any lease or tenancy of, the Property; or
 - (iii) dispose of all or any part of the Charged Property or agree to do so (except in the case of Floating Charge Assets which may, subject to the other provisions of the Debenture, be disposed of in the ordinary course of business); or
 - (iv) permit or agree to any variation of the Rights attaching to the whole or any part of the Charged Property;
- (e) *Licensed premises*: not oppose any application by Nationwide or a Receiver for the transfer, grant or renewal of any justices, excise or premises licence relating to the Property;
- (f) *VAT*: not without the consent of Nationwide, opt to tax under paragraphs 2–4 of Schedule 10 to the Value Added Tax Act 1994 in respect of any supply made in relation to the Charged Property or any part of it or any other building, parade, precinct or complex or any agricultural land (including the buildings on such land) in which the Chargor has a right or licence to occupy within the meaning of paragraph 3(6) of Schedule 10 to the Value Added Tax Act 1994 which could give rise to a deemed option in relation to the Charged Property;
- (g) *Compulsory purchase*:
 - (i) except with the prior written consent of Nationwide, not consent to, or enter into any negotiations with any Authority with regard to, the acquisition of the whole or any part of the Charged Property;
 - (ii) if so requested by Nationwide, permit Nationwide or its agent or anyone engaged by Nationwide to conduct such negotiations or give such consent on the Chargor's behalf; and
 - (iii) if a notice is given to the Chargor by an Authority that such Authority intends to acquire the whole or any part of the Charged Property and such notice contains any condition, not, at any time after the date of such notice, to do or omit or suffer to be done or omitted any act or thing which may be in breach of such condition.
- (h) *Debts*: get in and realise all the Charged Debts and pay all moneys which it may receive in respect of the Charged Debts into its current account with its bankers or such other account as Nationwide may designate (the "**Designated Account**") forthwith on receipt and pending such payment, hold all moneys so received upon trust for Nationwide and shall not without the prior consent in writing of Nationwide sell, charge, factor, discount or assign or otherwise dispose of any of the Charged Debts.

4.3 *No limitation*

None of the undertakings in clause 4 shall be construed as limiting any powers exercisable by any Receiver appointed by Nationwide under this Debenture.

5 Insurance

5.1 Insurance

Subject to clause 5.4 the Chargor shall maintain the following Insurances on terms, in amounts and with an insurer previously approved in writing by Nationwide:

- (a) insurance of the Charged Property to its full replacement or reinstatement cost from time to time (including, where applicable, the cost of demolition and site clearance, architects', surveyors' and other professional fees and incidental expenses in connection with the replacement or reinstatement and value added tax) against all risks which a prudent owner would insure including, without limitation, loss or damage (including where the Property is tenanted, for a minimum of three years' loss of rent) by fire, storm, lightning, terrorist risks, explosion, earthquake, riot, civil commotion, malicious persons or malicious damage, impact, flood, escape of water or oil, subsidence, heave and landslips, aircraft and other aerial devices or articles dropped therefrom, and such other risks and contingencies as Nationwide shall from time to time require;
- (b) insurance against loss of any justices or excise licence necessary for the conduct of the business at the Property;
- (c) property owner's liability insurance to include, without limitation, insurance against risks and liabilities to employees and third parties; and
- (d) insurance incorporating a mortgagee protection clause, whereby the Insurances will not be invalidated, vitiated or avoided as against a mortgagee in the event of any misrepresentation, act, omission, neglect or failure to disclose on the part of the insured.

Without prejudice to the above requirements of Nationwide, the Chargor shall be responsible during the subsistence of this Debenture for ensuring the adequacy and scope of the insurance cover. In the event of an insurance claim Nationwide shall not be liable to the Chargor if the sum insured does not cover the full reinstatement cost of the Charged Property (the Chargor making up any shortfall out of its own moneys). The Insurances effected shall not be amended by the Chargor without the prior written consent of Nationwide.

5.2 Joint names

The Insurances shall be (on a composite basis) in the joint names of the Chargor and Nationwide or, if Nationwide wishes, in the sole name of the Chargor but with Nationwide's interest as mortgagee noted on them. Other than where to do so would be contrary to the lease of the Property, the Chargor shall procure that the Insurances name Nationwide as loss payee. The Chargor undertakes to obtain from the insurer an undertaking in the form required by Nationwide that the insurer will inform Nationwide in writing of the non-renewal or cancellation of the Insurances.

5.3 Payment of premiums

The Chargor shall duly and promptly pay all premiums and other moneys necessary for effecting and keeping up the Insurances and on demand produce to Nationwide evidence of such payments, and comply in all other respects with the terms and conditions of the Insurances including, without limitation, any stipulations or restrictions as to the use and/or operation of the Property.

5.4 Leases

In the case of any leasehold or commonhold property where the Chargor is prohibited by the terms of the relevant lease from complying with the obligations referred to in this clause 5, the Chargor shall procure (where it is empowered to do so) or otherwise use all reasonable efforts to procure the maintenance by the landlord (or other third party) of such insurance obligations in accordance with the provisions of the relevant lease with Nationwide's interest as mortgagee noted on such insurance policies.

5.5 Insurance proceeds

Subject to any Permitted Charge or the terms of any lease of the Property, all moneys receivable by virtue of any of the Insurances shall be paid to Nationwide (or if not paid by the insurers directly to Nationwide shall be held on trust for Nationwide) and shall at the option of Nationwide be applied in replacing, restoring or reinstating the Property (any deficiency being made good by the Chargor) or in reduction of the Indebtedness.

6 Planning

6.1 Applications and Implementation

The Chargor shall:

- (a) not, except with the prior written consent of Nationwide, make any application for planning permission. In the event of planning permission being obtained by the Chargor, the Chargor will produce that permission to Nationwide within seven days of receipt of it;
- (b) not implement any planning permission received by it until it has been acknowledged by Nationwide to be acceptable to it;
- (c) observe, perform, comply with and cause observance, performance and compliance with the provisions of all statutes in force including the requirements of any Authority relating to the Property or anything done on it by the Chargor, in particular (but without prejudice to the generality of the foregoing) the provisions and requirements of the Planning Acts;
- (d) not, except with the prior written consent of Nationwide, enter into, or agree to enter into, any agreement under section 106 of the Town and Country Planning Act 1990 (agreement regulating development or use of land), section 33 of the Local Government (Miscellaneous Provisions) Act 1982 (enforceability by local authorities of certain covenants relating to land), section 38 of the Highways Act 1980 (power of highway authorities to adopt by agreement), section 278 of the Highways Act 1980 (contributions towards highway works), section 111 of the Local Government Act 1972 (subsidiary powers of local authorities) or generally under the Planning Acts or any other similar act; and
- (e) comply with any conditions attached to any Consent under the Planning Acts relating to or affecting the Property.

6.2 Representation

The Chargor represents and warrants to Nationwide that it has not, prior to the date of this Debenture, carried out or permitted to be carried out any development within the meaning of the Planning Acts upon the Property in respect of which any requisite permission has not been obtained and that all conditions subject to which such permissions have been granted have been duly complied with.

7 Leasing the Charged Property

7.1 Obligations in relation to leasing

The Chargor shall:

- (a) not, without the prior consent in writing of Nationwide, exercise any powers of leasing, agree to lease or accept surrenders of leases conferred upon the Chargor by sections 99 and 100 of the Law of Property Act 1925;
- (b) not, without the prior consent in writing of Nationwide, vary any lease permitted or existing at the date of this Debenture or enter into or permit or suffer any parting with possession of or sharing arrangements in respect of the Charged Property or any part of it except that the Chargor may grant assured shorthold tenancies in respect of the Charged Property under the Housing Act 1988 where Nationwide has given prior approval in writing to the form and term of such assured shorthold tenancy;
- (c) without prejudice to clauses 7.1(a) and (b), procure that no person shall be or become entitled without the consent of Nationwide to assert any proprietary or other title, right or interest which might affect the value of the Charged Property;
- (d) in the event of consent being given by Nationwide for the grant of any lease under clause 7.1(a), (b) or (c) of the Charged Property, deliver to Nationwide, for retention by Nationwide during the existence of this Debenture, a duly completed and stamped counterpart of that lease;
- (e) with respect to any lease or underlease under which the Charged Property is held:
 - (i) pay the rent reserved by and observe and perform the lessee's covenants and conditions contained in that lease;

- (ii) enforce against the lessor the covenants and conditions given by the lessor in the lease;
- (iii) not vary the terms of such lease without the prior consent in writing of Nationwide;
- (iv) not agree the amount of any reviewed rent without the prior consent in writing of Nationwide. In the event that such rent is determined by a third party, the Chargor shall procure that any representations made by Nationwide are made to the third party to the reasonable satisfaction of Nationwide;
- (v) not, without the prior consent in writing of Nationwide, agree the terms of any renewed lease or the amount of any interim rent payable under section 24A of the Landlord and Tenant Act 1954. In the event that the terms of the renewed lease or rent are determined by the court, the Chargor shall make such representations to the court as Nationwide may require. Immediately after any such renewed lease is granted to the Chargor, the Chargor shall execute a Debenture over such lease in the form required by Nationwide;
- (vi) immediately notify Nationwide of any matter or event under or by reason of which any lease has or may become subject to determination or forfeiture; and
- (vii) if so required by Nationwide, join with Nationwide in bringing any proceedings against the landlord under such lease for forfeiture, determination or otherwise.

7.2 *Occupational Leases*

The Chargor shall with respect to the Occupational Leases:

- (a) comply with all restrictive and other covenants and obligations, however arising, to be performed by it as lessor under any Occupational Lease;
- (b) enforce all restrictive and other covenants and obligations, however arising, owed to it as lessor under any Occupational Lease;
- (c) not waive, release or vary (or agree to do so) any Rights or any provision of any Occupational Lease without the prior consent in writing of Nationwide;
- (d) not agree the amount of any reviewed rent without the prior consent in writing of Nationwide and in the event of such rent being determined by a third party to procure that any representations made by Nationwide are put before such third party to the reasonable satisfaction of Nationwide;
- (e) not agree the terms of any renewed lease or the amount of any interim rent payable under section 24A of the Landlord and Tenant Act 1954 without the prior consent in writing of Nationwide and in the event that the terms of such renewed lease or rent are determined by the court to procure that any representations made by Nationwide are put before the court to the reasonable satisfaction of Nationwide;
- (f) forthwith notify Nationwide of any matter or event by reason of which the Occupational Leases have or may become subject to determination or forfeiture;
- (g) if so required by Nationwide join with Nationwide in bringing proceedings against the lessees under the Occupational Leases;
- (h) not grant any Consent under the Occupational Leases without the prior consent in writing of Nationwide;
- (i) not except with the prior written consent of Nationwide:
 - (i) exercise any option or power to break, terminate, renew or extend any Occupational Lease;
 - (ii) accept or agree to accept any surrender of any Occupational Lease; or
 - (iii) grant any Consent or licence as lessor or grantor under any Occupational Lease; and
- (j) allow, and shall procure that any person occupying the whole or any part of the Charged Property under any Occupational Lease shall allow, Nationwide and its agents, with or without surveyors, workmen or others authorised by it upon prior notice (except in an emergency when no notice shall be required) to enter the Charged Property in

order to view the Charged Property, to carry out any repairs on the Charged Property which Nationwide considers necessary or to do anything Nationwide is entitled to do pursuant to clause 8.6.

7.3 Representation

The Chargor represents and warrants to Nationwide that the Occupational Leases are valid, binding and enforceable in accordance with their respective provisions and the details of the Occupational Leases provided to Nationwide are true and accurate.

7.4 Compensation

- (a) The Chargor undertakes with Nationwide that in the event that any moneys pursuant to section 25 of the Law of Property Act 1969 and/or the Landlord and Tenant Act 1954 or otherwise become payable to Nationwide during the continuance of this security they shall, unless Nationwide otherwise agrees in writing, be applied towards the discharge of the Indebtedness.
- (b) Nationwide shall be entitled and is authorised by the Chargor and appointed the Chargor's attorney on its behalf to give a good receipt on behalf of the Chargor to the Chief Land Registrar or such other payer of any compensation payable to the Chargor under clause 7.4(a).
- (c) In the event that any compensation shall actually be received by the Chargor, the Chargor shall hold the same on trust for Nationwide to be applied by Nationwide towards the discharge of the Indebtedness.

8 Certain powers of Nationwide

8.1 Powers on enforcement

Section 103 of the Law of Property Act 1925 shall not apply. At any time on or after the Enforcement Date or if requested by the Chargor, Nationwide may, without further notice, and whether or not a Receiver shall have been appointed, exercise all the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this Debenture and all the powers and discretions conferred by this Debenture on a Receiver either expressly or by reference. In the event of any conflict between the powers contained in the Law of Property Act 1925 and those conferred by this Debenture, the terms of this Debenture shall prevail.

8.2 Redemption of Permitted Charges

At any time on or after the Enforcement Date, or if the holders of any Permitted Charges shall take any step to enforce them or demand the money thereby secured, Nationwide may pay off all or any of the Permitted Charges and take a transfer of the benefit of them or redeem the same, and the money so expended by Nationwide and all costs of and incidental to the transaction incurred by Nationwide shall be repayable by the Chargor to Nationwide on demand, shall constitute part of the Indebtedness and shall bear interest at the Default Rate from the date of payment by Nationwide.

8.3 Subsequent Security Rights

If Nationwide receives or has notice (actual or constructive) of any subsequent Security Right affecting the Charged Property or any part of it or if the continuing nature of this Debenture is determined for any reason, Nationwide may open a new account for the Chargor. If it does not do so then, unless Nationwide gives express written notice to the contrary to the Chargor for the purposes of this Debenture, Nationwide shall nevertheless be treated as if it had opened a new account at the time when it received or had such notice and as from that time all payments made by or on behalf of the Chargor to Nationwide shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount due from the Chargor to Nationwide at the time when it received such notice.

8.4 Settlement of accounts

Any sale or other disposition by Nationwide or by a Receiver may be made either subject to or discharged from any prior charge or upon such terms of indemnity as Nationwide or such Receiver may think fit. Nationwide or the Receiver may settle and pay the accounts of any person in whom any prior charge may from time to time be vested and any accounts so settled and paid shall as between Nationwide, the Receiver and the Chargor be deemed to be properly settled and paid and shall be binding on the Chargor accordingly. The money so expended by Nationwide shall be repayable by the Chargor to Nationwide on demand, shall constitute part of the Indebtedness and shall bear interest at the Default Rate from the date of payment by Nationwide.

8.5 *Contingencies*

If Nationwide enforces the security constituted by this Debenture at a time when no amount in respect of the Indebtedness is due and payable, or when the amount due and payable is not ascertained, Nationwide (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest-bearing suspense account. Nationwide may withdraw amounts standing to the credit of such suspense account for application in accordance with clause 12.1.

8.6 *Power to remedy*

If the Chargor at any time defaults in complying with any of its obligations contained in this Debenture, Nationwide shall, without prejudice to any other rights arising as a consequence of such default, be entitled (but not bound) to make good such default and the Chargor hereby irrevocably authorises Nationwide and its employees and agents by way of security to do all such things (including, without limitation, entering the Chargor's property) necessary or desirable in connection therewith. Any moneys so expended by Nationwide shall be repayable by the Chargor to Nationwide on demand together with interest at the Default Rate from the date of payment by Nationwide until such repayment, both before and after judgement. No exercise by Nationwide of its powers under this clause 8.6 shall make it liable to account as a mortgagee in possession.

8.7 *The Securities*

After the Enforcement Date the Chargor will if so requested by Nationwide transfer all or any of the Securities to such nominees or agents as Nationwide may select.

8.8 *Assignment of rents*

After the Enforcement Date the right to recover all rents reserved by any Occupational Lease shall automatically be assigned to and vest in Nationwide.

8.9 *Statutory power of leasing*

Nationwide may exercise the powers of leasing and agreeing to lease land under sections 99 and 100 of the Law of Property Act 1925 without going into possession of the Charged Property. In exercising such powers (whether with or without going into possession) Nationwide may grant any lease or tenancy of the Charged Property or any part of it for any term and at any or no rents with or without any fine or premium and generally on such terms as it shall, in its absolute discretion, think fit. Nationwide shall give an effectual receipt for any fine or premium payable on any such grant without the necessity for Nationwide to comply with the restrictions imposed by sections 99 and 100 of the Law of Property Act 1925.

9 *Appointment and powers of Receiver*

9.1 *Appointment*

At any time on or after the Enforcement Date or if requested by the Chargor, or if the security created by this Debenture shall in Nationwide's opinion be in jeopardy, Nationwide may by instrument in writing executed as a deed or under the hand of any director or other duly authorised officer appoint any person to be a Receiver of the Charged Property or any part of it. Where more than one Receiver is appointed, each joint Receiver shall have power to act severally, independently and to the exclusion of any other joint Receivers, except to the extent that Nationwide may specify to the contrary in the appointment. Nationwide may (subject, where relevant, to section 45 of the Insolvency Act 1986) remove any Receiver so appointed and appoint another in his place.

9.2 *Receiver as agent*

Any Receiver shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts or defaults and liable on any contracts and engagements made or entered into by him and shall alone be responsible for his remuneration.

9.3 *Powers of Receiver*

Any Receiver shall have all the powers conferred from time to time on receivers by statute (in the case of powers conferred by the Law of Property Act 1925, without the restrictions contained in section 103 of that Act) and power on behalf, and at the expense, of the Chargor (notwithstanding the liquidation of the Chargor) to do or omit to do anything which the Chargor could do or omit to do in relation to the Charged Property or any part of it. In particular (but without limitation) a Receiver shall have power to do all or any of the following acts and things:

- (a) *Take possession:* to take possession of, collect and get in all or any of the Charged Property and exercise in respect of the Securities all voting or other powers or rights available to a registered holder in such manner as he may think fit;
- (b) *Manage the Charged Property:* to manage, develop, alter, improve, build, reconstruct or reinstate and replace the Charged Property or any part of it or concur in so doing; to buy, lease or otherwise acquire and develop or improve properties or other assets without being responsible for loss or damage; to acquire, renew, extend, grant, vary or otherwise deal with easements, rights, privileges and licences over or for the benefit of the Charged Property;
- (c) *Manage business:* to carry on, manage or develop the business of the Chargor or any part of it carried on at the Property or commence any new business from the Property;
- (d) *Dispose of assets:* without the restrictions imposed by section 103 of the Law of Property Act 1925 or the need to observe any of the provisions of sections 99 and 100 of such Act, to sell by public auction or private contract, let, surrender or accept surrenders, grant licences, leases or otherwise dispose of or deal with all or any part of the Charged Property or concur in so doing in such manner for such consideration and generally on such terms and conditions as he may think fit with full power to convey, let, surrender, accept surrenders or otherwise transfer or deal with such Charged Property in the name and on behalf of the Chargor or otherwise and so that covenants and contractual obligations may be granted and assumed in the name of and so as to bind the Chargor (or the other estate owner) if he shall consider it necessary or expedient so to do; any such sale, lease or disposition may be for cash, debentures or other obligations, shares, stock, securities or other valuable consideration and be payable immediately or by instalments spread over such period as he shall think fit and so that any consideration received or receivable shall forthwith be and become charged with the payment of the Indebtedness; plant, machinery and other Fixtures may be severed and sold separately from the premises containing them and the Receiver may apportion any rent and the performance of any obligations affecting the premises sold without the consent of the Chargor. Any contract for any such sale or other disposal by the Receiver or Nationwide may contain conditions excluding or restricting the personal liability of the Receiver or Nationwide;
- (e) *Form subsidiaries:* to promote the formation of companies with a view to the same becoming a Subsidiary of the Chargor and purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Charged Property or in anything else, to arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Charged Property on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit;
- (f) *Compromise contracts:* to make any arrangement or compromise (including without limitation agreeing to any changes to the rent payable in respect of the Property) or enter into perform or cancel any contracts or agreements which he shall think expedient;
- (g) *Repair and maintain assets:* to make and effect such repairs, renewals and improvements to the Charged Property or any part of it as he may think fit and in doing so to purchase materials;
- (h) *Building works:* to commence and/or complete any building operations on any part of the Property and apply for and obtain any planning permissions, building regulation approvals and any other permissions, Consents or licences with respect to the Charged Property as he may in his discretion think fit;
- (i) *Make calls:* to make calls conditionally or unconditionally on the members of the Chargor in respect of uncalled capital;
- (j) *Compensation:* to negotiate for compensation with any Authority which may intend to acquire or be in the process of acquiring the Charged Property or any part of it and make objections to any order for the acquisition of the Charged Property or any part of it, and the Receiver may request the Chargor to do so at any enquiry held to consider such objections or which is otherwise relevant to such acquisition;
- (k) *Legal proceedings:* to institute, continue, enforce, defend, settle or discontinue any actions, suits or proceedings in relation to the Charged Property or any part thereof or submit to arbitration as he may think fit;
- (l) *Appoint employees:* to appoint managers, agents, contractors, professionals, surveyors, quantity surveyors, builders, workmen, officers and employees for any of the purposes referred to in this clause 9.3 or to guard or protect the Charged Property at such salaries and remuneration and for such periods and on such terms as he may determine and may dismiss the same;

- (m) *Borrow money*: to raise or borrow money, obtain bonds or guarantees or incur any other liability from anyone on such terms with or without security as he may think fit and so that any such security may be or include a charge on the whole or any part of the Charged Property or any other property acquired by the Receiver ranking in priority to this security or otherwise;
- (n) *Execute documents*: to sign any document, execute any deed and do all such other acts and things as may be considered by him to be incidental or conducive to any of the matters or powers aforesaid or to the realisation of the security created by or pursuant to this Debenture and to use the name of the Chargor for all the purposes aforesaid;
- (o) *Insurances*: to maintain, renew, take out or increase Insurances (including indemnity insurance);
- (p) *Exercise statutory leasehold and commonhold powers*: without any further consent by or notice to the Chargor to exercise for and on behalf of the Chargor all the powers and provisions conferred on a landlord or a tenant by the Landlord and Tenant Acts, the Rent Acts, the Housing Acts, the Commonhold and Leasehold Reform Act or any other legislation from time to time in force in any relevant jurisdiction relating to security of tenure or rents or generally in respect of the Charged Property but without any obligation to exercise any of such powers and without any liability in respect of powers so exercised or omitted to be exercised;
- (q) *Tenancies*: to apply for and negotiate the terms of any renewed tenancy whether pursuant to the Landlord and Tenant Act 1954 or otherwise;
- (r) *Occupational Leases*: to make allowances and arrangements with any lessee or any tenant in respect of the rents receivable pursuant to an Occupational Lease;
- (s) *Rent review*: to operate and agree any rent review in respect of any lease or underlease of the Charged Property or any Occupational Leases and the amount of any interim rent payable pursuant to section 24A of the Landlord and Tenant Act 1954;
- (t) *Insolvency Act powers*: to do all the acts and things described in Schedule 1 to the Insolvency Act 1986 as if the words "he" and "him" referred to the Receiver and "company" referred to the Chargor;
- (u) *Nationwide powers*: to do anything Nationwide has power to do under this Debenture; and
- (v) *Other acts*: to do all other acts and things which he may consider to be incidental or conducive to any of the powers contained in this clause 9.

9.4 **Remuneration**

Nationwide may from time to time determine the remuneration of any Receiver and section 109(6) of the Law of Property Act 1925 shall be varied accordingly. A Receiver shall be entitled to remuneration appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by the Receiver in accordance with the current practice of his firm.

9.5 **No liability**

Neither Nationwide nor any Receiver shall be liable for any involuntary losses that may occur in exercise of the rights, liberties and powers contained in this Debenture or be liable to account as mortgagee in possession.

10 **Set-off**

10.1 **Set-off**

Nationwide shall, with the irrevocable authority of the Chargor and, in addition to and without prejudice to any rights Nationwide may have whether:

- (a) arising by operation of law or otherwise in consequence of the relationship between the parties to this Debenture; or
- (b) by way of rights of general lien or set-off or as otherwise exist,

be entitled without notice at any time and from time to time to set-off or transfer any sum or sums standing to the credit of any account of the Chargor with Nationwide at any of its branches, of whatever nature and in whatever currency denominated, in or towards satisfaction of any sums due and payable from the Chargor to Nationwide under this Debenture.

10.2 *Additional rights*

If the liability in respect of which Nationwide is exercising its rights of set-off is contingent, or not yet payable, it shall automatically be accelerated, and shall accordingly be due and payable, before and at the time of such set-off. If the sums standing to the credit of any account of the Chargor with Nationwide at any of its branches against which set-off is to be made are not due or matured or otherwise payable, they shall notwithstanding anything to the contrary contained in this Debenture be deemed already to be so for the purposes of the set-off contemplated in clause 10 provided that Nationwide shall not be obliged to exercise any right given to it by this clause 10.

10.3 *Waiver*

The Chargor hereby waives any right of set-off it may have from time to time in respect of the Indebtedness.

11 *Effect of Enforcement Date*

11.1 *Enforcement Date*

From the Enforcement Date, Nationwide shall cease to be under any further commitment to the Chargor. The Indebtedness (other than contingent liabilities) not otherwise so payable shall immediately become payable on demand and the Chargor shall provide cash cover on demand for the maximum amount of its contingent liabilities to Nationwide.

12 *Application of proceeds and purchasers*

12.1 *Application of proceeds*

Any moneys received by Nationwide or by any Receiver appointed by it pursuant to this Debenture and/or under the powers conferred by this Debenture shall be applied for the following purposes and, unless otherwise determined by Nationwide or such Receiver, in the following order of priority:

- (a) in the payment of all costs, charges and expenses of and incidental to the Receiver's appointment and the payment of his remuneration;
- (b) in the payment and discharge of any liabilities incurred by the Receiver on the Chargor's behalf in the exercise of any of the powers of the Receiver;
- (c) in providing for the matters (other than the remuneration of the Receiver) specified in the first three paragraphs of section 109(8) of the Law of Property Act 1925;
- (d) in or towards payment of any debts or claims which are by statute payable in preference to the Indebtedness but only to the extent that those debts or claims have that preference;
- (e) in or towards satisfaction of the Indebtedness; and
- (f) any surplus shall be paid to the Chargor or any other person who may be entitled to it.

12.2 *Suspense account*

Any moneys received, recovered or realised under the powers conferred under this Debenture may, at the discretion of Nationwide, be placed in a suspense account and kept there for so long as Nationwide thinks fit pending application from time to time (as Nationwide shall be entitled to do as it may think fit) of such moneys in or towards discharge of the Indebtedness.

12.3 *Law of Property Act 1925*

The provisions of clauses 12.1 and 12.2 shall take effect as and by way of variation and extension to the provisions of section 109 of the Law of Property Act 1925.

12.4 *Protection of purchasers*

- (a) Any person (including, without limitation, any purchaser, mortgagor or mortgagee) (in this clause a "purchaser") dealing with Nationwide may assume without inquiry that:

- (i) some part of the Indebtedness has become due;
 - (ii) a demand for such Indebtedness has been duly made; and
 - (iii) such Indebtedness has become due within the meaning of section 101 of the Law of Property Act 1925.
- (b) No purchaser dealing with the Receiver or Nationwide is to be concerned to enquire whether any power exercised or purported to be exercised by the Receiver or Nationwide has become exercisable, or as to the propriety or regularity of any sale by, or other dealing with, the Receiver or Nationwide. Any such sale or dealing is deemed to be within the powers conferred by this Debenture and to be valid and effective accordingly. All the protection to purchasers contained in section 104 and section 107 of the Law of Property Act 1925 and section 42(3) of the Insolvency Act 1986 apply to any purchaser.

13 Indemnities and costs and expenses

13.1 *Enforcement costs*

The Chargor hereby undertakes with Nationwide to pay on demand all costs, charges and expenses including, without limitation, all legal and all other costs, charges and expenses (including any internal management, monitoring or enforcement costs, charges and expenses of Nationwide) on a full and unqualified indemnity basis which may be incurred by Nationwide or by any Receiver in or incidental to the enforcement, attempted enforcement, preservation or attempted preservation of any of the security created by or pursuant to this Debenture or any of the Charged Property or in the administration and management of the Chargor's accounts with Nationwide or in the collection of the Indebtedness, together with interest at the Default Rate from the date on which such costs, charges or expenses are incurred until the date of payment by the Chargor (both before and after judgement). Any taxation of such costs, charges and expenses shall be on an indemnity basis.

13.2 *No liability as mortgagee in possession*

Neither Nationwide nor any nominee, delegate or any Receiver shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property or be liable for any loss upon realisation or exercise of any power, authority or right of Nationwide or the Receiver arising under this Debenture or for any act or default or omission of any nature whatsoever for which a mortgagee in possession may be liable as such.

13.3 *Indemnity from Charged Property*

Nationwide and any Receiver, attorney, agent or other person appointed by Nationwide or any Receiver under this Debenture and Nationwide's officers and employees (each an "**Indemnified Party**") shall be entitled to be indemnified out of the Charged Property in respect of all costs, losses, actions, claims, expenses, demands or liabilities whether in contract, tort, delict or otherwise and whether arising at common law, in equity or by statute which may be incurred by, or made against, any of them (or by or against any manager, agent, officer or employee for whose liability, act or omission any of them may be answerable) at any time relating to or arising directly or indirectly out of or as a consequence of:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Debenture; or
- (b) any breach by the Chargor of any of its obligations under this Debenture; or
- (c) an Environmental Claim being made or asserted against an Indemnified Party which would not have arisen if this Debenture had not been executed and which was not caused by the wilful default of the relevant Indemnified Party;

and the Chargor shall indemnify Nationwide and any Receivers against any such matters.

14 Power of attorney

14.1 *Power of attorney*

The Chargor by way of security hereby irrevocably appoints each of Nationwide and any Receiver jointly and severally to be its attorney with full power of delegation in its name and on its behalf:

- (a) to sign, execute, seal, complete and deliver any document, deed, agreement, instruments or act which Nationwide or such Receiver may require for perfecting the title of Nationwide to the Charged Property or for vesting the same in Nationwide, its nominees or any purchaser or generally for any of the purposes set out in this Debenture;

- (b) to sign, execute, seal, complete and deliver and otherwise perfect any further security document referred to in clause 16; and
- (c) otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on Nationwide or a Receiver under this Debenture or which may be deemed expedient by Nationwide or a Receiver in connection with any Disposal, realisation or getting in by Nationwide or such Receiver of the Charged Property or any part thereof or in connection with any other exercise of any power under this Debenture.

14.2 ***Ratification***

The Chargor shall ratify and confirm all transactions entered into by Nationwide, any Receiver or any delegate of Nationwide in the exercise or purported exercise of Nationwide's or the Receiver's respective powers and all things done by Nationwide, such Receiver or delegate by virtue of any power of attorney given by this clause 14.

14.3 ***Irrevocable***

The Chargor hereby acknowledges that the power of attorney hereby granted to Nationwide, any Receiver and its delegates and substitutes is granted irrevocably and for value as part of the security constituted by this Debenture to secure the proprietary interests of and the performance of obligations owed to the respective donees within the meaning and for the purposes of the Powers of Attorney Act 1971.

15 **Continuing security and other matters**

15.1 ***Continuing security***

This Debenture and the obligations of the Chargor under this Debenture shall:

- (a) secure the Indebtedness owing to Nationwide by the Chargor and shall be a continuing security notwithstanding any payment or settlement of account or other matter whatsoever;
- (b) be in addition to, and not prejudice or affect, any present or future guarantee, indemnity, Security Right, right or remedy held by or available to Nationwide;
- (c) not merge with or be in any way prejudiced or affected by the existence of any such guarantees, indemnities, Security Rights, rights or remedies or by the same being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by Nationwide dealing with, exchanging, releasing, varying or failing to perfect or enforce any of the same, or giving time for payment or indulgence or compounding with any other person liable;
- (d) not be discharged or affected by any failure of, or defect in, any agreement given by or on behalf of the Chargor in respect of any Indebtedness nor by any legal limitation in any matter in respect of any Indebtedness or by any other fact or circumstances (whether known or not to the Chargor or Nationwide) as a result of which any Indebtedness may be rendered illegal, void or unenforceable by Nationwide; and
- (e) remain binding on the Chargor notwithstanding any amalgamation, reconstruction, reorganisation, merger, sale or transfer by or involving Nationwide or of the assets of Nationwide and for this purpose this Debenture and all rights conferred on Nationwide under it may be assigned or transferred by Nationwide accordingly.

15.2 ***Other security***

Nationwide shall not be obliged to resort to any guarantees, indemnities, Security Rights or other means of payment now or hereafter held by or available to it before enforcing this Debenture and no action taken or omitted by Nationwide in connection with any such guarantees, indemnities, Security Rights or other means of payment shall discharge, reduce, prejudice or affect the liability of the Chargor or the Indebtedness, nor shall Nationwide be obliged to account for any money or other property received or recovered in consequence of any enforcement or realisation of any such guarantees, indemnities, Security Rights or other means of payment.

15.3 ***Settlements conditional***

Any release, discharge of this Debenture or settlement of the Indebtedness shall be conditional upon no security, disposition or payment to Nationwide by the Chargor or any other person being void, set aside, reduced or ordered to be refunded

pursuant to any enactment or law relating to liquidation, administration or insolvency or for any other reason whatsoever and if such condition shall not be fulfilled Nationwide shall be entitled to enforce this Debenture and any other rights it would have been entitled to exercise subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

15.4 *Conversion of floating charge*

Nationwide may at any time (both before and after an Event of Default) by notice to the Chargor convert with immediate effect the floating charge in clause 3.1(i) into a fixed charge over the Floating Charge Assets specified in the notice.

16 *Further assurance*

16.1 *Further assurance*

The Chargor shall if and when at any time required by Nationwide:

- (a) execute such further Security Rights and assurances in favour of Nationwide and do and deliver all such acts and things as Nationwide shall from time to time require over or in relation to all or any of the Charged Property to secure the Indebtedness or to perfect or protect the security intended to be created by this Debenture over the Charged Property or any part of it; and
- (b) at any time on or after the Enforcement Date do and execute all acts, deeds and documents which Nationwide may then require to facilitate the realisation of the Charged Property.

16.2 *Certain documentary requirements*

Such further assurances shall be prepared by or on behalf of Nationwide at the expense of the Chargor and shall contain;

- (a) an immediate power of sale without notice;
- (b) a clause excluding section 93 of the Law of Property Act 1925 and the restrictions contained in section 103 of the Law of Property Act 1925; and
- (c) such other clauses for the benefit of Nationwide as Nationwide may require.

17 *Currencies*

17.1 *Conversion of currencies*

All moneys received or held by Nationwide or by a Receiver under this Debenture at any time on or after the Enforcement Date in a currency other than a currency in which the Indebtedness is denominated may from time to time be sold for such one or more of the currencies in which the Indebtedness is denominated as Nationwide or any Receiver considers necessary or desirable and the Chargor shall indemnify Nationwide against the full cost (including all costs, charges and expenses) incurred in relation to such sale. Neither Nationwide 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 sale.

17.2 *Currency indemnity*

No payment to Nationwide (whether under any judgement or court order or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made unless and until Nationwide shall have received payment in full in the currency in which such obligation or liability was incurred. 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 Nationwide shall have a further separate cause of action against the Chargor and shall be entitled to enforce the charges hereby created to recover the amount of the shortfall.

18 *Partnership issues*

18.1 *Partnership*

Where more than one person comprises the Chargor and such persons are in partnership with each other and/or other persons (a "Partnership" and each a "Partner") the Chargor represents that the Partners have authorised the execution of this Charge. If:

- (a) any of the Partners retires, dies or otherwise ceases to be a Partner ("**Retiring Partner**"); or
- (b) a new person becomes a Partner ("**New Partner**"); or
- (c) the partnership is dissolved,

the Chargor shall immediately inform Nationwide in writing. Nationwide shall have the right to require and the Chargor shall procure that a Retiring Partner and a New Partner signs and delivers and otherwise perfects any deed, assurance, agreement, instrument or act which Nationwide may require. The liability of the Partners (including the liability of the Retiring Partner and a New Partner) for the Indebtedness and the validity, enforceability and continuing security of this Charge shall not be affected by the departure of a Retiring Partner from the Partnership and/or the appointment of a New Partner and/or the dissolution of the Partnership.

19 Miscellaneous

19.1 Remedies cumulative

No failure or delay on the part of Nationwide to exercise any power, right or remedy shall operate or be construed as a waiver. Any single or any partial exercise or waiver of any power, right or remedy shall not preclude its further exercise or the exercise of any other power, right or remedy. The powers, rights and remedies provided by this Debenture are cumulative and are not exclusive of any powers, rights and remedies provided by law.

19.2 Preservation of rights

Nationwide may, in its absolute discretion, grant time or other indulgence or make any other arrangement, variation or release with any person not a party hereto or affecting or concerning any such person in respect of the Indebtedness or in respect of any Security Right or any guarantee for the Indebtedness, without in any such case prejudicing, affecting or impairing the security hereby constituted, or any of the rights, powers or remedies of Nationwide or the exercise of the same, or the Indebtedness or other liability of the Chargor to Nationwide.

19.3 Unfettered discretion

Any liability or power which may be exercised or any determination which may be made under this Debenture by Nationwide may be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give any reasons.

19.4 Provisions severable

- (a) Each of the provisions of this Debenture is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining provisions of this Debenture shall not in any way be affected or impaired thereby.
- (b) If any invalid or unenforceable clause (or part of a clause) would not be invalid or unenforceable if its drafting or effect were modified in any way, the Chargor agrees that Nationwide can require such clause to be modified so as to be valid and enforceable.

19.5 Transfer of rights

- (a) The Chargor may not assign or otherwise transfer any of its rights or obligations under this Debenture.
- (b) Nationwide may at any time sell, assign, novate, securitise or otherwise transfer all or any part of its rights or obligations under this Debenture including, without limitation, in connection with a Status Change (a "**Transfer**") to any person at any time including, without limitation, a Successor (a "**Transferee**"). The Chargor consents to the disclosure by Nationwide of any information and documentation concerning the Chargor to any prospective Transferee.
- (c) If there is a Transfer by Nationwide the Chargor will be bound to the Transferee and the rights and obligations of the Chargor under this Debenture will remain the same. The Transferee will have the same powers, rights, benefits and obligations of Nationwide to the extent that they are sold, assigned, novated or otherwise transferred to the Transferee and Nationwide will be released from its obligations to the Chargor to the extent that those obligations are assumed by the Transferee. The Chargor will enter into all documents necessary to give effect to any such Transfer.

- (d) Any appointment or removal of a Receiver under clause 9 and any consents under this Debenture may be made or given in writing signed or sealed by any Successors or Transferees of Nationwide and accordingly the Chargor hereby irrevocably appoints each Transferee of Nationwide to be its attorney in the terms and for the purposes set out in clause 14.

19.6 *Reorganisation of Nationwide*

This Debenture shall remain binding on the Chargor notwithstanding any change in the constitution of Nationwide or its absorption in, or amalgamation with, or the acquisition of all or part of its undertaking by any other person, or any reconstruction or reorganisation of any kind including, without limitation, any Status Change. The security granted by this Debenture shall remain valid and effective in all respects in favour of any Transferee of Nationwide in the same manner as if such Transferee had been named in this Debenture as a party instead of, or in addition to, Nationwide and notwithstanding any Status Change.

19.7 *Consolidation*

Section 93 of the Law of Property Act 1925 shall not apply to the security created by this Debenture or to any security given to Nationwide pursuant to this Debenture.

20 *Notices*

20.1 *Notices by Chargor*

- (a) Any notice, certificate or other correspondence required to be sent or given by the Chargor to Nationwide shall be addressed to Nationwide and sent by first class post to the address specified below or to such other address or for the attention of such other person or department as may from time to time be notified by Nationwide to the Chargor for this purpose.

Commercial Property Finance
Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Attention: Head of Commercial Property Finance

- (b) Any such notice or other correspondence shall only be effective when actually received by Nationwide.

20.2 *Notices by Nationwide*

- (a) Any notice, correspondence or demand for payment by Nationwide under this Debenture shall, without prejudice to any other effective mode of making the same, be deemed to have been properly served on the Chargor if served on it or any one of its directors or on its secretary or delivered or sent by post to the Chargor at its registered office or any of its principal places of business for the time being or any other address from time to time notified by the Chargor to Nationwide or sent by fax to the Chargor using such fax number from time to time notified by the Chargor to Nationwide.

- (b) Any such notice, correspondence or demand shall be deemed to have been served:

- (i) if delivered by hand, at the time of day of actual delivery;
- (ii) if sent by fax, with a confirmed receipt of transmission from the sending machine, when transmitted; or
- (iii) if sent by post, at 9.00am on the second day (not being a Saturday, Sunday or public holiday) following the day of posting (notwithstanding that it be undelivered or returned undelivered)

and, in proving the giving of a notice such method of service shall be conclusive evidence.

- (c) Any such notice or demand or any certificate as to the amount at any time secured by this Debenture shall be conclusive and binding upon the Chargor if signed by an officer of Nationwide.

21 Interpretation

21.1 *Successors and assigns*

The expressions "Nationwide" and "Chargor" include, where the context admits, their respective successors and, in the case of Nationwide, its Transferees and assignees whether immediate or derivative and any person with whom Nationwide may amalgamate and shall include all Nationwide's branches from time to time.

21.2 *Construction of certain terms*

In this Debenture, unless the context otherwise requires:

- (a) the masculine, feminine or neuter gender respectively include the other genders and references to the singular include the plural and vice versa;
- (b) reference to (or to any specified provision of) this Debenture, the Facility Letter or any other document shall be construed as references to this Debenture or Facility Letter, that provision or that document as in force for the time being and as amended in accordance with its terms or, as the case may be, with the agreement of the relevant parties and (where the consent of Nationwide is, by the terms of this Debenture or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior written consent of Nationwide;
- (c) references to a person shall be construed as including references to an individual, firm, company, body corporate, corporation, unincorporated body of persons, Authority, building society or partnership (whether or not having separate legal personality) or any combination of the foregoing;
- (d) references to statutory provisions or Regulations shall be construed as references to those provisions as replaced, amended or re-enacted from time to time and any order, instrument, regulation or bye-law made or issued thereunder.

21.3 *Effect as a deed*

This Debenture is intended to take effect as a deed notwithstanding that Nationwide may have executed it under hand only.

21.4 *No restriction on interpretation*

In construing this Debenture the interpretation of general words shall not be restricted by being preceded by words indicating a particular class of acts, matters or things or by being followed by particular examples.

22 Law

22.1 *English law*

This Debenture shall be governed by and shall be construed in accordance with English law.

22.2 *Jurisdiction*

The Chargor hereby irrevocably submits to the jurisdiction of the English Courts. The submission to such jurisdiction shall not (and shall not be construed so as to) limit the right of Nationwide to take proceedings against the Chargor in any other court of competent jurisdiction outside England, nor shall the taking of proceedings in any jurisdiction preclude the taking of proceedings in any other jurisdiction whether concurrently or not.

IN WITNESS of the above this Debenture has been executed and delivered by or on behalf of the parties on the date stated at the beginning of this Debenture.

Schedule

Part A – The Chargor

Name: Iliad (Lever Court) Limited

Registered No: 04949810

Registered Office: Second Floor Muskery Building, 1 Stanley Street, Liverpool, Merseyside, L1 6AA

Part B – The Borrower

Name: Ajax Limited

Registered No: 012104V

Registered Office: First Floor, Jubilee Buildings, Victoria Street, Douglas, Isle of Man, IM1 1SH

Part C – Property including Title No. (if any)

Address

Title Number or Root of Title

37-41 (odd) Duke Street and 14-18 (even) Gradwell Street, Liverpool L1 5AP

MS302405

This Debenture is an important legal document. Nationwide recommends that you seek the advice of your solicitor or other legal adviser before executing this Debenture.

Executed as a Deed
by the Chargor acting by:

Director

)



~~Director/Secretary~~

)



OR

EXECUTED as a Deed
by the Chargor acting by

Director

)

in the presence of:

Name of witness

Signature of witness

Address

Occupation

SIGNED for and on behalf)
of NATIONWIDE BUILDING SOCIETY)