Companies House

MR01(ef)

Registration of a Charge

Company name: **LOCATE PROPERTY LIMITED**

Company number: **04962922**

Received for Electronic Filing: **28/01/2014**

X30HQZ57

Details of Charge

Date of creation: **16/01/2014**

Charge code: **0496 2922 0002**

Persons entitled: **CANADA LIFE LIMITED**

Brief description: **ALL ASSETS**

Contains fixed charge(s).

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

Notification of addition to or amendment of charge.

Chargor acting as a bare trustee for the property.

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: **HAMLINS LLP**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4962922

Charge code: 0496 2922 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th January 2014 and created by LOCATE PROPERTY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th January 2014 .

Given at Companies House, Cardiff on 28th January 2014

Companies House

THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 16 January 2014

(1) ON-SITE ESTATES LIMITED and LOCATE PROPERTY LIMITED

and

(2) CANADA LIFE LIMITED

DEBENTURE

We hereby certify this to be a true copy of the original
Signed Hamlins LLP (900)
Hamlins LLP
Roxburghe House
273-287 Regent Street
London W1B 2AD
24/01/2014

Baker & McKenzie LLP
100 New Bridge Street
London EC4V 6JA
United Kingdom

Ref: SMT/MSH/39131662-266

CONTENTS

THIS DEBENTURE is made on 16 January 2014

BETWEEN

(1) **ON-SITE ESTATES LIMITED** (registered number 04962927), a company incorporated under the laws of England and Wales whose registered office is at New Burlington House, 1075 Finchley Road, London, NW11 0PU;

(2) **LOCATE PROPERTY LIMITED** (registered number 04962922), a company incorporated under the laws of England and Wales whose registered office is at New Burlington House, 1075 Finchley Road, London, NW11 0PU;

(together the "**Companies**"); and

(3) **CANADA LIFE LIMITED** (registered number 00973271), a company incorporated under the laws of England and Wales operating through its office at 1-6 Lombard Street, London EC3V 9JU (the "**Lender**").

WHEREAS:

(A) The Lender has agreed to make available to the Companies a secured term loan facility on the terms and conditions set out in a loan agreement dated on or about the date of this deed (the "**Loan Agreement**").

(B) The Companies have agreed to provide Security to the Lender to secure the payment and discharge of the Secured Liabilities on the terms and conditions set out in this deed (the "**Debenture**")

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed:

"**Administrator**" means any one or more persons appointed as an administrator of the Companies by the Lender under paragraph 14 of schedule B1 to the Insolvency Act;

"**Charged Property**" means the assets mortgaged, charged or assigned by the Companies under this deed;

"**Debts**" means all book and other debts and rights to money and income (other than Rental Income) liquidated and unliquidated due or owing to the Companies including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but excluding cash at bank;

"**Designated Account**" means an account of the Companies:

1.1.1 with the Account Bank other than the Rent Account; or

1.1.2 with any other bank which has been notified of the Lender's interest in such account and has agreed in writing not to permit withdrawals from such account except with the written consent of the Lender;

"**Dividends**" means all dividends, interest and other money payable in respect of the Investments;

"**Financial Collateral Regulations**" means the Financial Collateral Arrangements (No 2) Regulations 2003 SI 2003/3226;

"**Insolvency Act**" means the Insolvency Act 1986;

"**Intellectual Property**" means all present and future rights of the Companies in respect of any patent, copyright, trade mark, service mark, invention, design, knowhow, confidential information or any other kind of intellectual property whether registered or unregistered and any registration or application for registration, licence or permission relating to any of the foregoing;

"**Investment**" means any:

1.1.1 stock, share, bond or any form of loan capital of or in any legal entity;

1.1.2 unit in any unit trust or similar scheme;

1.1.3 warrant or other right to acquire any such investment,

and any offer, right or benefit in respect of any such investment other than Dividends;

"**LPA**" means the Law of Property Act 1925;

"**Plant and Equipment**" means any fittings, plant, equipment, machinery, tools, vehicles, furniture and other tangible movable property which are not Real Property;

"**Property**" means the property described in Schedule 1;

"**Receiver**" means any one or more persons appointed as a receiver, receiver and manager or administrative receiver under this deed; and

"**Secured Liabilities**" means all obligations of the Companies owed or expressed to be owed to the Lender whether owed jointly or severally, as principal or surety or in any other capacity.

1.2 Terms used in the Loan Agreement and not defined herein shall have the meanings ascribed to them in the Loan Agreement.

1.3 Interpretation

In this deed, unless a contrary indication appears:

1.3.1 "**obligations**" means obligations and liabilities;

1.3.2 references to obligations include the whole or any part of them, present and future, actual and contingent;

1.3.3 any reference to "**powers**" include rights, powers, discretions and authorities; and

1.3.4 any reference to any asset include any proceeds of sale of any such asset.

1.3.5 The provisions of clause 1.3 (Interpretation) of the Loan Agreement apply to this deed as though they were set out in full in this deed, except that references to the Loan Agreement will be construed as references to this deed.

1.4 Incorporation

This deed incorporates the terms of the Finance Documents and any side letters between the parties to the extent required to ensure the validity of any purported disposition under this deed of any freehold or leasehold property under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 Continuation of undertakings

Any undertaking made by or obligation imposed on the Companies in this deed will continue in force until the Lender is satisfied that it has no further obligation to provide financial accommodation to the Companies and all the Secured Liabilities have been irrevocably paid or discharged in full.

2. UNDERTAKING TO PAY

The Companies undertake with the Lender to pay the Secured Liabilities to the Lender when due.

3. FIXED SECURITY

3.1 As continuing security for the payment of the Secured Liabilities the Companies with full title guarantee:

3.1.1 charge to the Lender by way of first legal mortgage all Real Property owned by the Companies at the date of this deed including the Property;

3.1.2 charge to the Lender by way of equitable mortgage any Real Property acquired by the Companies after the date of this deed;

3.1.3 charge to the Lender by way of first fixed charge their rights and interest in:

3.1.3.1 all present or future Real Property owned by the Companies not otherwise charged by way of legal or equitable mortgage pursuant to clauses 3.1.1 or 3.1.2;

3.1.3.2 all chattels, plant, vehicles and machinery now or at any time hereafter belonging to the Companies or hired, leased or rented by the Companies to any other person;

3.1.3.3 its present and future goodwill, uncalled capital and future calls;

3.1.3.4 any present or future Debts owing to the Companies;

3.1.3.5 any present or future insurances in respect of any Charged Property and the proceeds of such insurances;

3.1.3.6 to the extent they are not subject to an effective assignment under clause 3.1.3, the benefit of all contracts, licences, consents and authorisations held in connection with their business or the use of Charged Property;

3.1.3.7 any present or future Intellectual Property;

3.1.3.8 any money now or at any time after the date of this deed standing to the credit of any Designated Account;

3.1.3.9 any money now or at any time after the date of this deed standing to the credit of the Rent Account;

3.1.3.10 any money now or at any time after the date of this deed standing to the credit of the Deposit Account;

3.1.4 assign to the Lender by way of fixed security their rights and interest in:

3.1.4.1 any Rental Income;

3.1.4.2 any guarantee of Rental Income contained in or relating to any occupational lease;

3.1.4.3 any present or future right to occupy any Real Property under licence;

3.1.4.4 any present or future contract for the purchase of any Real Property and damages payable in respect of any such contract;

3.1.4.5 the Management Agreement;

3.1.4.6 all contracts and policies of insurance taken out by or on behalf of the Companies; and

3.1.5 assign to the Lender by way of equitable mortgage their rights and interest in:

3.1.5.1 any present or future Investments owned by the Companies;

3.1.5.2 any Dividends in respect of any Investments.

3.2 The security from time to time constituted by or pursuant to this Debenture shall:

3.2.1 be in addition to and shall be independent of every bill, note, guarantee, mortgage or other security which the Lender may at any time hold for any of the Secured Liabilities and it is hereby declared that no prior security held by the Lender over the Charged Property or any part thereof shall merge into the Security; and

3.2.2 remain in full force and effect as a continuing security until the earlier of (i) the Lender having certified in writing that the Secured Liabilities have been discharged in full and (ii) the security constituted by this Debenture having been released.

4. FLOATING SECURITY

4.1 Floating charge

As continuing security for the payment of the Secured Liabilities the Companies charge to the Lender by way of floating charge with full title guarantee all their undertakings and all their property and the whole of their assets whosoever situated both present and future to the extent that such assets are not effectively mortgaged, charged or assigned to the Lender by way of fixed security under clause 3 (Fixed Security).

4.2 Conversion

Subject to clause 4.3 (Moratorium under Insolvency Act), the Lender may at any time by written notice to the Companies convert the floating charge created by clause 4.1 (Floating Charge) into a fixed charge as regards any assets specified in the notice if:

4.2.1 an Event of Default has occurred; or

4.2.2 in the opinion of the Lender such assets are at risk of becoming subject to any Security (other than a Permitted Security) or are otherwise at risk of ceasing to be within the ownership or control of the Companies.

4.3 Moratorium under Insolvency Act

The Lender shall not be entitled to convert the floating charge created by clause 4.1 (Floating Charge) into a fixed charge as a result only of the Companies obtaining a moratorium or anything done with a view to obtaining a moratorium under section 1A of and schedule A1 to the Insolvency Act.

4.4 Qualifying floating charge

Paragraph 14(2)(a) of schedule B1 to the Insolvency Act applies to the floating charge created by clause 4.1 (Floating Charge) which is a "qualifying floating charge" for the purpose of paragraph 14(1) of schedule B1 to the Insolvency Act.

5. RENTAL INCOME AND BANK ACCOUNTS AND ASSIGNED AGREEMENTS

5.1 Prohibited dealings

The Companies shall not without first obtaining the written consent of the Lender compound, release or do anything by virtue of which the collection and recovery of any of the Rental Income may be impeded, delayed or prevented.

5.2 Notice of assignment of Rental Income and acknowledgement

The Companies shall if required by the Lender give notice of assignment of the Rental Income in the form set out in part 1 of Schedule 2 (and the Lender may specify in its absolute discretion whether the wording in square brackets is to be included or omitted from such notice) to each tenant of the Property and shall procure that each such tenant executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of Schedule 2.

5.3 Notice of charge of bank accounts and acknowledgment

The Companies shall give notice of the charge of the Rent Account and each other of their bank accounts in the form set out in part 1 of Schedule 3 to the Account Bank (or as the case may be other bank) and shall procure that such bank executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of Schedule 3.

5.4 Notice of assignment of policies of insurance and acknowledgment

The Companies shall if required by the Lender give notice of assignment of the Companies' insurance policies in the form set out in part 1 of Schedule 4 to the relevant insurer(s) and shall procure that each such insurer executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of Schedule 4.

5.5 Notice of assigned agreements and acknowledgement

The Companies shall if required by the Lender give notice of assignment of any agreement assigned pursuant to any Finance Document to each party to such agreement in the form set out in part 1 of Schedule 5 and procure that each such party executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of Schedule 5.

6. DEBTS

6.1 The Companies shall:

6.1.1 use their best endeavours (having regard exclusively to the interests of the Lender) to realise the Debts and not give any release or waiver or do anything which may prejudice the collection and recovery of any of the Debts;

6.1.2 from time to time if required by the Lender provide the Lender with the names and addresses of the debtors of the Companies and the amount of the Debts owing from each of them and such other information relating to the Debts as the Lender may require;

6.1.3 immediately pay the proceeds of realisation of any Debt into the Rent Account; and

6.1.4 permit the Account Bank to disclose to the Lender from time to time upon request full details of all the Companies' accounts with such bank and any other information relating to the Companies held by such bank.

7. INVESTMENTS

7.1 Deposit of certificates

The Companies shall deposit with the Lender:

7.1.1 on or before the date of this deed, the certificates or other documents of title to each Investment owned by the Companies on such date;

7.1.2 on the date of the acquisition of any Investment acquired by the Companies after the date of this deed or on the withdrawal of any Investment owned by the Companies from any clearance system, the certificates or other documents of title to each such Investment;

7.1.3 duly executed undated blank transfers in respect of each such Investment and forms of waiver of any pre-emption rights necessary to enable such transfers to be registered.

7.2 Payment of money due

The Companies shall promptly pay into the Rent Account all money which may from time to time be due in respect of any Investment forming part of the Charged Property.

7.3 Nominees

If any Investment forming part of the Charged Property is registered in the name of a nominee the Companies shall on demand provide to the Lender an equitable mortgage over such Investment or power of attorney or acknowledgement of the rights created by this deed over such Investment in favour of the Lender in such terms as the Lender may require duly executed by or on behalf of such nominee.

7.4 Completion of transfers

The Lender may at any time complete any transfers of any Investment delivered to it under clause 7.1.3 in favour of itself or any nominee for it as transferee and may present the same for registration.

7.5 Dividends and voting rights before Event of Default

Until the occurrence of an Event of Default:

7.5.1 the Companies shall be entitled to receive all Dividends in respect of any Investment forming part of the Charged Property free from the security created by this deed; and

7.5.2 the Companies will be entitled to exercise all voting rights attached to any Investment forming part of the Charged Property and if the Lender is registered as the holder of any such Investment it will exercise all voting rights attached to it as directed by the Companies.

7.6 Dividends and voting rights after Event of Default

After the occurrence of an Event of Default:

7.6.1 if any Investment forming part of the Charged Property is not then registered in the name of the Lender or a nominee for the Lender the Lender will be entitled to become so registered or to procure registration in the name of a nominee;

7.6.2 all Dividends will be payable to the Lender and may be applied by the Lender in reduction of the Secured Liabilities whether or not any Investment forming part of the Charged Property is registered in the name of the Lender or any nominee for the Lender or in the name of the Companies or any nominee for the Companies;

7.6.3 the Lender will be entitled at its discretion to exercise or procure the exercise of all voting rights attached to any Investment forming part of the Charged Property that is registered in the name of the Lender or any nominee for the Lender for the purpose only of preserving the value of such Investment or realising the security over such Investment created by this deed; and

7.6.4 the Companies shall exercise or procure the exercise of any voting rights attached to any Investment forming part of the Charged Property that is registered in the name of the Companies or any nominee for the Companies as directed by the Lender for the purpose mentioned in paragraph 7.6.3 above.

7.7 Dematerialisation

The Companies must promptly take all action required for the rematerialisation of any Investments forming part of the Charged Property held in dematerialised form in a clearance system.

8. NEGATIVE UNDERTAKINGS

8.1 Negative pledge

The Companies shall not enter into, create or permit to subsist any Security over any of the Charged Property other than a Permitted Security.

8.2 Disposals

The Companies shall not sell, transfer, lease or otherwise dispose or purport or agree to dispose of:

8.2.1 any of their assets which are expressed to be mortgaged by way of legal or equitable mortgage, assigned by way of security or charged by way of fixed security or charge to the Lender under clause 3 (Fixed Security);

8.2.2 any of its other assets other than on arms length terms in the ordinary course of its trading.

9. UNDERTAKINGS RELATING TO THE CHARGED PROPERTY

The undertakings set out in this clause remain in force from the date of this deed for so long as any amount is outstanding under the Finance Documents or the Lender has any obligation to lend under the Loan Agreement.

9.1 Repair

The Companies shall:

9.1.1 not commit any waste which injures or lessens the value of the Property;

9.1.2 keep the Charged Property which is of a repairable nature in good and substantial repair and condition; and

9.1.3 not, without first obtaining the written consent of the Lender, make any structural alterations or additions to or carry out any development on or make any planning or similar application relating to any of the Charged Property.

If the Companies fail to comply with the undertakings in paragraphs 9.1.12 and 9.1.3 above the Lender will be entitled to repair and maintain the Charged Property and carry out works of reinstatement at the cost of the Companies and will for this purpose have the rights of entry set out in this clause.

9.2 Proprietorship

The Companies shall not permit any person:

9.2.1 to be registered as proprietor under the Land Registration Act 2002 of any Charged Property nor create or permit to arise any interest referred to in schedule 1 or schedule 3 of such Act affecting any Charged Property; or

9.2.2 to become entitled to any proprietary right or interest which might affect the value of any Charged Property.

9.3 Acquisitions and disposals of Real Property

The Companies shall:

9.3.1 promptly notify the Lender of any proposal, contract, conveyance, option, transfer or other disposition involving the acquisition by the Companies of any interest in any Real Property or, without prejudice to clause 8 (Negative Undertakings), any sale, lease, transfer or other disposal by the Companies of an interest in any Real Property; and

9.3.2 execute and deliver to the Lender an additional Debenture in respect of any such Real Property which it may hereafter acquire.

9.4 Powers of leasing

The Companies' statutory and any other powers of entering into leases and accepting or agreeing to accept surrenders of leases are excluded and shall not be exercisable by the Companies in relation to the Charged Property and the Companies shall not without first obtaining the Lender's written consent:

9.4.1 grant or agree to grant any consent or license under any lease in respect of any Charged Property;

9.4.2 part with possession or occupation of, confer any licence or right to occupy nor confer any interest in any Charged Property;

9.4.3 grant any permission to assign, underlet or part with possession or occupation of any Charged Property;

9.4.4 grant any permission to make alterations to any Charged Property;

9.4.5 agree or permit any amendment to or waiver of the terms of any lease (including any lease under which the Companies are a tenant); or

9.4.6 exercise any power to determine any lease.

9.5 Right of entry

The Companies shall permit the Lender, its agents and contractors at reasonable times and upon reasonable notice (or at any time without notice after the occurrence of an Event of Default or in case of emergency) to:

9.5.1 have access to their accounts and accounting records and to any books and records relating to the Charged Property, to inspect and take extracts from the same and make photocopies thereof and the Companies shall provide, at their cost and expense, such clerical and other assistance as the Lender may request with regard thereto provided that such books records accounts and copies are not disclosed to any persons who is not a party to this deed or their professional advisors or as maybe required by law;

9.5.2 enter into or upon any Charged Property without becoming liable as mortgagee in possession:

9.5.2.1 to view the state and condition of or to value it;

9.5.2.2 to comply with or object to any direction or notice or other matter served upon the Companies; and

9.5.2.3 to carry out at the cost of the Companies any repairs or maintenance or to take any action which the Lender considers necessary or desirable in connection with any Charged Property to procure compliance with any obligation of the Companies in this deed.

9.6 Identification plate

The Companies shall if so requested by the Lender:

9.6.1 place and maintain on any Plant and Equipment forming part of the Charged Property, in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [description of item] and ancillary equipment is subject to a fixed charge in favour of Canada Life Limited.";

9.6.2 obtain from any landlord of premises on which any such Plant and Equipment is located a waiver of such landlord's rights of distress in form and substance satisfactory to the Lender.

9.7 Intellectual Property

The Companies shall permit preserve, maintain and renew as and when necessary all Intellectual Property required in connection with their business and/or the premises in which such business is conducted.

9.8 Documents of title

The Companies shall deposit with the Lender all deeds and documents of title relating to the Charged Property.

9.9 Compliance with obligations

The Companies shall in respect of the Charged Property pay all rents, rates, outgoings and other sums payable and observe and perform all covenants and stipulations from time to time affecting any part of the Charged Property or the manner of use or the enjoyment of the same and shall not without the prior written consent of the Lender enter into any onerous or restrictive obligations affecting any part thereof.

9.10 Failure to comply

If the Companies fails to comply with any of its obligations under this deed the Lender may take such steps as it considers appropriate to procure compliance with such obligations at the cost of the Companies.

10. REPRESENTATIONS AND WARRANTIES

The Companies hereby represent and warrant to the Lender as follows:

10.1 the two entities, taken together being the Companies, are limited companies duly incorporated and validly existing under the laws of England and Wales;

10.2 the Companies have the power to enter into, to perform, deliver and comply with their obligations under or pursuant to and to create the security constituted by or pursuant to this Debenture;

10.3 all necessary corporate action has been taken by the Companies to authorise the execution and delivery of this Debenture, to create the security constituted by or pursuant to this Debenture and to observe and perform its obligations under this Debenture;

10.4 subject to equitable principles and matters affecting creditors' rights generally, this Debenture as executed and delivered constitutes and will constitute a legal valid and binding obligation of the Companies enforceable in accordance with its terms;

10.5 neither the entry nor the performance of or compliance with their obligations under or pursuant to this Debenture nor the creation of the security created by it does or will violate in any manner, or exceed any borrowing or other powers or restrictions granted or imposed under or pursuant to:

10.5.1 any law to which the Companies are subject; or

10.5.2 the Companies' Memorandums or Articles of Association; or

10.5.3 any other agreement, arrangement or understanding to which the Companies are a party or otherwise subject in any respect;

10.6 that for the purposes of section 125 of the Charities Act 2011;

10.6.1 their interest in the Property is held by them on behalf of the Beneficiary;

10.6.2 the Beneficiary is a non-exempt charity; and

10.6.3 none of the Security Documents to be executed fall within section 124(9) of the Charities Act so that restrictions imposed by section 124 of the Charities Act 2011 apply.

10.7 That having obtained and considered such advice as is mentioned in section 124(2) of the Charities Act:

10.7.1 the transactions envisaged by the Security Documents are necessary, in the reasonable opinion of the Companies for the purpose of refinancing, by way of extension, the Companies' existing indebtedness to the Lender, for and on behalf of the Beneficiary;

10.7.2 the terms of the Security Documents are reasonable; and

10.7.3 the Companies can comply with their obligations under the Security Documents.

each of the representations and warranties in clauses 10.1 to 10.5.3 shall be deemed to be repeated by the Companies on each day until the Secured Liabilities have been paid or discharged in full as if made with reference to the facts and circumstances existing on each such day.

11. ENFORCEMENT OF SECURITY

11.1 Lender's powers

On the occurrence of an Event of Default, this deed shall become enforceable and the Lender may immediately or at any time thereafter:

11.1.1 appoint one or more persons as an Administrator of the Companies in accordance with schedule B1 to the Insolvency Act;

11.1.2 exercise the power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed;

11.1.3 subject to section 72A of and paragraph 43 of Schedule A1 to the Insolvency Act, appoint one or more persons as a receiver and manager or administrative receiver of any Charged Property;

11.1.4 exercise all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act;

11.1.5 by notice to the Companies end the Companies's right to possession of all or any Real Property forming part of the Charged Property and enter into possession of all or such part of such Real Property;

11.1.6 to the extent that this deed constitutes a "security financial collateral arrangement" as defined in the Financial Collateral Regulations, appropriate any Charged Property which consitutes "financial collateral" as defined in the Financial Collateral Regulations in or towards satisfaction of the Secured Liabilities and the Lender shall value such Charged Property by reference to an independent valuation or other procedure selected by the Lender acting reasonably.

11.2 Powers under the LPA

11.2.1 Section 103 of the LPA will not apply to this deed.

11.2.2 The power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed will arise upon execution of this deed by the Companies.

11.3 Cash Cover

After the occurrence of an Event of Default the Companies shall, immediately on demand, provide to the Lender full cash cover for any contingent liabilities forming part of the Secured Liabilities including liabilities arising in respect of bills of exchange or promissory notes accepted, endorsed or discounted and bonds, guarantees, indemnities, documentary or other credits or other instruments from time to time entered into by the Lender.

11.4 Administrators

If the Lender appoints two or more persons as Administrator of the Companies, the appointment may specify whether those persons are to act jointly or concurrently.

11.5 Receivers

11.5.1 The Lender may appoint any Receiver upon such terms as to remuneration and otherwise as the Lender thinks fit and the maximum rate specified in section 109(6) of the LPA shall not apply.

11.5.2 Any Receiver will be the agent of the Companies for all purposes and the Companies will be responsible for such Receiver's acts and defaults and for his remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Lender.

11.5.3 Where two or more persons are appointed as Receiver any act authorised to be done by the Receiver may be done by all of them acting jointly or by any one or more of them acting severally.

11.5.4 The Lender may at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Lender appoints any other person as Receiver in his place.

12. POWERS OF RECEIVER AND LENDER

12.1 Statutory powers

A Receiver shall have and be entitled to exercise all the powers conferred on a receiver by the LPA and, whether or not such a Receiver is an administrative receiver, all the powers conferred upon an administrative receiver by schedule 1 to the Insolvency Act which powers are incorporated in this deed.

12.2 Additional powers

By way of addition to and without limiting any other powers referred to in this clause a Receiver shall have power (both before and after the commencement of any liquidation of the Companies) to do every act and thing and exercise every power:

12.2.1 which the Companies would have been entitled to do or exercise if no Receiver had been appointed or which the Receiver would have been entitled to do or exercise if the Receiver were the absolute legal and beneficial owner of the Charged Property;

12.2.2 which such Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of any Charged Property or for or in connection with the enforcement of the Security created by this deed or the realisation of any Charged Property,

and may use the name of the Companies in connection with any exercise of such powers.

12.3 Prior encumbrances

At any time after the security given by this deed has become enforceable, the Lender may redeem any prior Security against the Charged Property or procure a transfer of such Security to itself and may agree the accounts of the person entitled to that Security and any accounts so agreed will be binding on the Companies. Any money paid by the Lender in connection with a redemption or transfer of any prior Security will form part of the Secured Liabilities.

12.4 Possession

If the Lender, any Receiver or any delegate of either of them takes possession of any Charged Property it may go out of possession at any time.

13. DELEGATION OF POWERS BY LENDER OR RECEIVER

13.1 Delegation

The Lender or any Receiver may from time to time delegate by power of attorney or in any other manner to any person any powers which are for the time being exercisable by the Lender or a Receiver under this deed in relation to any Charged Property and any such delegation may be made upon such terms as the Lender or such Receiver may think fit.

13.2 Liability for delegates

Neither the Lender nor any Receiver will be in any way liable or responsible to the Companies for any loss or damage arising from any act or omission on the part of any such delegate unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the delegate.

14. EXCLUSION OF LIABILITY

14.1 No obligation to recover

Neither the Lender nor any Receiver is under any obligation to take action to collect any money or enforce any rights comprised in the Charged Property whether or not it is in possession of the relevant Charged Property.

14.2 Liability as mortgagee in possession

If the Lender or any Receiver takes possession of any Charged Property, it will not be liable to account to the Companies for anything except actual receipts or be liable to the Companies for any loss arising from any realisation of any Charged Property or for any default or omission for which a receiver or mortgagee in possession would be liable.

14.3 Losses on enforcement

The Lender or any Receiver will not be liable to the Companies for any loss or damage arising from:

14.3.1 any sale of any Charged Property;

14.3.2 any act, default or omission of the Lender or any Receiver in relation to any Charged Property; or

14.3.3 any exercise or non-exercise by the Lender or any Receiver of any power conferred upon it in relation to any Charged Property by or pursuant to this deed or by the LPA,

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the Lender or any Receiver.

15. REIMBURSEMENT AND INDEMNITY

15.1 Reimbursement

The Companies shall pay to the Lender on demand:

15.1.1 any money paid by the Lender or any Receiver:

15.1.1.1 as a result of the Lender or any Receiver taking action which the Lender or any Receiver considers necessary or desirable in connection with any Charged Property or to procure compliance with any obligation of the Companies in this deed; or

15.1.1.2 in respect of any action or thing expressed in this deed to be done at the cost of the Companies;

15.1.2 all costs, fees, taxes and expenses incurred by the Lender or any Receiver under or in connection with this deed or its enforcement and/or the preservation of the Lender's rights under this deed.

15.2 Indemnity

The Companies shall indemnify each of the Lender and any Receiver against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way (including any liability under any Environmental Law) which it may at any time incur in connection with this deed or for anything done or omitted to be done in the exercise or purported exercise of its powers pursuant to this deed unless such liabilities, claims and expenses are caused by its fraud, gross negligence or wilful misconduct.

16. APPLICATION OF SUMS REALISED

16.1 Order of application

Subject to claims having priority to the Security created by this deed all money recovered by the Lender or any Receiver as a result of the enforcement of this deed or otherwise by reason of the Security created by this deed will be applied in the following order:

16.1.1 in payment of all costs, fees, taxes and expenses incurred by the Lender or any Receiver in or pursuant to the exercise of the powers set out in this deed and all other outgoings properly payable by any Receiver;

16.1.2 in payment of remuneration to any Receiver;

16.1.3 in or towards payment of the Secured Liabilities; and

16.1.4 the balance (if any) will be applied as required by law.

16.2 Contingent or future liabilities

If any money is received by the Lender or a Receiver as a result of the enforcement of this deed or otherwise by reason of the Security created by this deed at a time when the Secured Liabilities include contingent or future liabilities the Lender or any Receiver may hold some or all of such money in a suspense account.

17. PROTECTION OF PERSONS DEALING WITH LENDER OR RECEIVER

17.1 No person dealing with the Lender or any Receiver will be concerned to enquire:

17.1.1 whether any event has happened upon which any of the powers conferred by this deed may have arisen or be exercisable;

17.1.2 otherwise as to the propriety or regularity of any exercise of the powers conferred by this deed or of any act purporting or intended to be in exercise of such powers; or

17.1.3 whether any Secured Liabilities remain owing.

18. NOTICE OF SUBSEQUENT CHARGE

18.1 If the Lender receives notice of any Security or other interest affecting any Charged Property:

18.1.1 it may open a new account for the Companies in its books and may transfer any outstanding balance owing by the Companies to such new account;

18.1.2 if it does not open a new account then, unless it gives express written notice to the contrary to the Companies, all payments made by the Companies to it will as from the time of receipt of such notice be treated as having been credited to a new account of the Companies and not as having been applied in reduction of the Secured Liabilities.

19. FURTHER ASSURANCE

19.1 When required by the Lender or any Receiver the Companies shall, at their own cost:

19.1.1 execute a charge by way of legal mortgage, assignment by way of security or fixed charge over any assets of the Companies and such legal mortgage, assignment or charge shall secure the Secured Liabilities and contain a power of sale which arises immediately upon execution, provisions excluding section 93 of the LPA and the restrictions contained in section 103 of the LPA and such other provisions including any similar to those in this deed as the Lender may reasonably require;

19.1.2 execute any documents or do any other thing which the Lender or any Receiver may require for perfecting or protecting any Security created by this deed or in connection with the exercise of any powers given to the Lender or any Receiver under this deed; and

19.1.3 convey, transfer, assign or otherwise deal with any Charged Property in such manner as the Lender or any Receiver may require in connection with any enforcement of any Security created by this deed.

20. POWER OF ATTORNEY BY COMPANIES

20.1 The Companies irrevocably and by way of security appoint each of the Lender, any person selected by the Lender and any Receiver as their attorney in each case (with full power to appoint substitutes and to delegate) severally in their name and on their behalf to execute any document or do any act or thing which:

20.1.1 the Companies are entitled to execute or do in relation to the Charged Property including giving a receipt for any money and exercising any rights or remedies forming part of the Charged Property; or

20.1.2 the Companies are obliged to execute or do under this deed.

21. DISCHARGE OF SECURITY

21.1 Discharge conditional

Any discharge of the Companies by the Lender in reliance on a payment or security received by the Lender will cease to be effective if that payment or security is avoided, reduced or invalidated for any reason and the Lender will be entitled to recover from the Companies on demand the amount of the Secured Liabilities discharged by such payment or security.

21.2 Retention of security

Following any discharge of the Companies made by the Lender in reliance on a payment or security the Lender may retain the security constituted by this deed until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Lender may retain the security constituted by this deed for as long as it thinks fit.

22. REDEMPTION

After the repayment or discharge in full of the Secured Liabilities and provided that the Lender is satisfied that the Lender is not under any obligation to provide financial accommodation to the Companies the Lender will at the request and cost of the Companies release the Charged Property from the Security created by this deed.

23. MISCELLANEOUS

23.1 Possession

The Companies shall be entitled to possession of any Real Property forming part of the Charged Property until termination of such right by the Lender under clause 11.1 (Lender's Powers).

23.2 Third Party Rights

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

23.3 Continuing Security

This deed is a continuing security and extends to the balance from time to time of the Secured Liabilities irrespective of any intermediate payment of monies due to the Lender.

23.4 Other Security

This deed is in addition to and will not in any way be prejudiced or affected by the holding or release by the Lender or any other person of any other security at any time held by the Lender.

23.5 Consolidation

The restrictions on the right of consolidating mortgage securities contained in section 93 of the LPA will not apply to this deed.

23.6 Land Registry Consent

By executing this deed the Companies consent to the entry of the following restriction in Standard Form P (as prescribed in schedule 4 to the Land Registration Rules 2003) against any registered titles (and any unregistered properties subject to compulsory first registration) which are at any time subject to this deed:

> "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of Canada Life Limited referred to in the charges register [or [their conveyancer or specify appropriate details]]."

24. LAW

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

25. **JURISDICTION**

25.1 Jurisdiction of English courts

25.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed and a dispute regarding a non contractual obligation referred to in clause 24 (Law)) (a "**Dispute**").

25.1.2 The Lender and the Companies agree that the courts of England are the most appropriate and convenient courts to settle Disputes. The Companies will not argue to the contrary.

25.1.3 This clause is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

This deed has been executed and delivered as a deed by the Companies and signed on behalf of the Lender on the date shown at the beginning of this deed.

SCHEDULE 1

The Property

The freehold property known as Westside London Road, Apsley, Hemel Hempstead, Hertfordshire HP3 9YF registered at the Land Registry under title number HD427148.

SCHEDULE 2

Part 1

Notice of Assignment to Tenant

To: [The Tenant]

[Date]

Dear Sirs,

Westside, London Road, Apsley, Hemel Hempstead, Hertfordshire, HP3 9YF

1. We refer to the lease dated [ ] made between [ ] and [ ] (the "Lease").

2. We:

(a) give you notice that by a Debenture (the "**Debenture**") dated [ ] and executed by us in favour of Canada Life Limited (as "**Lender**"), we have assigned to the Lender all our rights and interest in all amounts now or at any time in the future payable to us under or in connection with the Lease including but not limited to each of the following amounts:

(i) rent including any increase of rent or interim rent agreed by us or payable pursuant to any provisions of the landlord and tenant act 1954 and all other amounts payable under the lease;

(ii) amounts payable from any deposit held as security for performance of your obligations under the lease;

(iii) any profits, damages, compensation, settlement or expenses awarded or agreed as a result of any claim made by us under the lease;

(iv) any amount payable or the value of any consideration to be given by or on behalf of you for the surrender or variation of the lease;

(v) any interest payable on any amount referred to above;

(vi) value added tax on any amount referred to above; and

(vii) any other payments arising under the Lease,

(b) irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given to the contrary) to pay any rent and other moneys payable by you under the Lease [save to the extent set out in paragraph (2) (c) of this notice] to the account nominated by the Lender from time to time and initially by cheque payable directly to us to the following account (the "**Rent Account**"):

Name of Bank: [ ]
Account No. [ ]
Sort Code: [ ]

the instructions set out in this notice shall apply until you receive notice from the Lender to the contrary; and

(c) [confirm that until you receive further notice from the Lender to the contrary, you may pay any amounts that are solely due from you in respect of insurance premium and/or service charge payments under the Lease to our managing agent as notified to you from time to time.]

3. This letter is governed by English law.

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at:

Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For the attention of: Mortgage Portfolio Manager

Yours faithfully,

....

For and on behalf of On-Site Estates Limited and Locale Property Limited

Part 2

Acknowledgement

To: Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For attention of: Mortgage Portfolio Manager

[Date]

Dear Sirs,

Westside, London Road, Apsley, Hemel Hempstead, Hertfordshire, HP3 9YF

1. We acknowledge receipt of a notice dated [ ] (the "**Notice**") and addressed to us by On-Site Estates Limited and Locate Property Limited (the "**Companies**").

   Words and expressions defined in the Notice will have the same meaning in this letter.

2. We confirm our acceptance of the instructions and authorisations contained in the Notice.

3. We acknowledge and confirm that:

   (a) We have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Companies under or in respect of the Lease;

   (b) We shall pay all rent and all other moneys payable by us under the Lease [save to the extent set out in paragraph 2(c) of the Notice] into the Rent Account and we shall continue to pay those moneys into the Rent Account until we receive written instructions from the Lender to the contrary; and

   (c) These instructions may not be altered without the consent in writing of the Lender.

4. This letter is governed by English law.

Yours faithfully,

....
For and on behalf of [The Tenant]

SCHEDULE 3

Part 1

Form of notice to Account Bank

To: [Name and address of Account Bank] (the "**Account Bank**")

[Date]

Dear Sirs

Account Number [ ](the "Security Account")

We refer to the account of On-Site Estates Limited and Locate Property Limited (the "**Chargor**") with you numbered [ ].

We give you notice that, by a debenture dated [ ] the Chargor has charged to Canada Life Limited (the "**Lender**") its interest in and to the money from time to time standing to the credit of the account referred to above (the "**Charged Account**") and to all interest (if any) accruing on the Charged Account.

We irrevocably authorise and instruct you until you receive written notice from the Lender to the contrary:

1. to pay all or any part of monies from time to time standing to the credit of the charged account to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect;

2. to disclose to the Lender any information relating to the Chargor and the Charged Account which the Lender may from time to time request you to provide; and

3. not to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account without first obtaining the consent in writing of the Lender.

This notice and any non-contractual obligations arising out of or in connection with this notice are governed by the law of England.

Would you please acknowledge receipt of this letter and your acceptance of the above by signing the attached form of acknowledgement and returning it to the Lender at:

Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For the attention of: Mortgage Portfolio Manager

Yours faithfully,

....

For and on behalf of On-Site Estates Limited and Locate Property Limited

Part 2

Acknowledgement

To: Canada Life Limited
1-6 Lombard Street
London
EC3V 9JU
For the attention of: Mortgage Portfolio Manager

[Date]

Dear Sirs,

We acknowledge receipt of a notice (a copy of which is attached) dated [ ] (the "**Notice**") and addressed to us by On-Site Estates Limited and Locate Property Limited (the "**Chargor**").

Expressions defined in such Notice have the same meanings in this acknowledgement.

We acknowledge and confirm that:

1. we accept the instructions in the Notice and will act in accordance with the provisions of such Notice until the Lender notifies us in writing that the Notice is revoked;

2. we have not received Notice that any third party has any interest in the Charged Account;

3. we have not claimed or exercised, nor will we claim or exercise against the Chargor, any right of set-off, lien, combination of accounts, counterclaim or other right relating to the Charged Account.

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England and in connection with any proceedings with respect to this acknowledgment and any such non-contractual obligations we submit to the jurisdiction of the Courts of England for your exclusive benefit.

Yours faithfully,

....
For and on behalf of [Account Bank]

SCHEDULE 4

Part 1

Form of Notice to Insurers

To: [The Insurer]

[Date]

Dear Sirs

On-Site Estates Limited and Locate Property Limited

We:

(a) Give you notice that by a Debenture (the "**Debenture**") dated [ ] and executed by us in favour of Canada Life Limited (as "**Lender**"), all our rights in and to the policy of insurance, brief details of which are set out below (the "**Policy**") and all the proceeds of the same from time to time due to us have been assigned to the Lender upon the terms set out in the Debenture; and

(b) Irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given to the contrary) to pay any moneys payable by you under the Policy to the account nominated by the Lender from time to time and initially to the following account in our name:

Name of Bank: [ ]
Account No. [ ]
Sort Code: [ ]

This instruction shall apply until you receive notice from the Lender to the contrary.

This letter is governed by English law.

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at:

Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For the attention of: Mortgage Portfolio Manager

Yours faithfully

....
For and on behalf of On-Site Estates Limited and Locate Property Limited

Details of the Policy:	
Name of Insured:	
Nature of Policy:	
Policy Number:	
Expiry Date:	

Part 2

Acknowledgement

To: Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For attention of: Mortgage Portfolio Manager

[Date]

Dear Sirs,

On-Site Estates Limited and Locate Property Limited

1. We acknowledge receipt of a notice dated [ ] (the "**Notice**") and addressed to us by On-Site Estates Limited and Locate Property Limited (the "**Companies**").

   Words and expressions defined in the Notice will have the same meaning in this letter.

2. We confirm our acceptance of the instructions and authorisations contained in the Notice.

3. We acknowledge and confirm that:

   (a) We have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Companies under or in respect of the Policy;

   (b) We shall pay all moneys payable by us under the Policy into the account referred to in the Notice; and

   (c) These instructions may not be altered without the consent in writing of the Lender.

4. This letter is governed by English law.

Yours faithfully

....
For and on behalf of [The Insurer]

SCHEDULE 5

Part 1

Form of Notice to Other Parties

To: [Relevant Party]

[Date]

Dear Sirs

[Name and Date of Agreement]

1. We refer to an agreement dated [ ] and made between (1) [ ] and (2) [ ] (the "**Agreement**").

2. We:

   (a) Give you notice that by a Debenture (the "**Debenture**") dated [ ] and executed by us in favour of Canada Life Limited (as "**Lender**") as defined in the Debenture, all our rights in and to the Agreement, including the right to receive any payments due under the Agreement have been assigned to the Lender upon the terms set out in the Debenture; and

   (b) Irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given to the contrary) to pay any moneys payable by you under the Agreement to the account nominated by the Lender from time to time and initially to the following account in our name:

   Name of Bank: [ ]
   Account No. [ ]
   Sort Code: [ ]

   This instruction shall apply until you receive notice from the Lender to the contrary.

3. This letter is governed by English law

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at:

Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For the attention of: Mortgage Portfolio Manager

Yours faithfully

....
For and on behalf of On-Site Estates Limited and Locate Property Limited

Part 2

Acknowledgement

To: Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For attention of: Mortgage Portfolio Manager

[Date]

Dear Sirs

[Name and Date of Agreement]

1. We acknowledge receipt of a notice dated [ ] (the "**Notice**") and addressed to us by On-Site Estates Limited and Locate Property Limited (the "**Companies**").

   Words and expressions defined in the Notice will have the same meaning in this letter.

2. We confirm our acceptance of the instructions and authorisations contained in the Notice

3. We acknowledge and confirm that:

   (a) We have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Companies under or in respect of the Agreement;

   (b) We shall pay all moneys payable by us under the Agreement into the account referred to in the Notice; and

   (c) These instructions may not be altered without the consent in writing of the Lender.

4. This letter is governed by English law.

Yours faithfully

....
For and on behalf of [Relevant Party]

EXECUTION

THE COMPANIES:

EXECUTED as a deed under the COMMON SEAL of LOCATE PROPERTY LIMITED acting by:	)))

....
Director

....
Director/Secretary

EXECUTED as a deed under the COMMON SEAL of ON-SITE ESTATES LIMITED acting by:	)))

....
Director

....
Director/Secretary

THE LENDER

SIGNED by J. S. CARRICK and N BENT jointly as attorneys for and in the name of **CANADA LIFE LIMITED** under a power of attorney dated 22 February 2007	)))))))

....

....

In the presence of:

C. CHUNG
1-6 Lombard Street
London, EC3V 9JU

DATED 16 January 2014

(1) ON-SITE ESTATES LIMITED and LOCATE PROPERTY LIMITED

and

(2) CANADA LIFE LIMITED

DEBENTURE

Baker & McKenzie LLP
100 New Bridge Street
London EC4V 6JA
United Kingdom

Ref: SMT/MSH/39131662-266

CONTENTS

THIS DEBENTURE is made on 16 January 2014

BETWEEN

(1) **ON-SITE ESTATES LIMITED** (registered number 04962927), a company incorporated under the laws of England and Wales whose registered office is at New Burlington House, 1075 Finchley Road, London, NW11 0PU;

(2) **LOCATE PROPERTY LIMITED** (registered number 04962922), a company incorporated under the laws of England and Wales whose registered office is at New Burlington House, 1075 Finchley Road, London, NW11 0PU;

(together the "**Companies**"); and

(3) **CANADA LIFE LIMITED** (registered number 00973271), a company incorporated under the laws of England and Wales operating through its office at 1-6 Lombard Street, London EC3V 9JU (the "**Lender**").

WHEREAS:

(A) The Lender has agreed to make available to the Companies a secured term loan facility on the terms and conditions set out in a loan agreement dated on or about the date of this deed (the "**Loan Agreement**").

(B) The Companies have agreed to provide Security to the Lender to secure the payment and discharge of the Secured Liabilities on the terms and conditions set out in this deed (the "**Debenture**")

AGREED TERMS

1. **DEFINITIONS AND INTERPRETATION**

1.1 Definitions

In this deed:

"**Administrator**" means any one or more persons appointed as an administrator of the Companies by the Lender under paragraph 14 of schedule B1 to the Insolvency Act;

"**Charged Property**" means the assets mortgaged, charged or assigned by the Companies under this deed;

"**Debts**" means all book and other debts and rights to money and income (other than Rental Income) liquidated and unliquidated due or owing to the Companies including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but excluding cash at bank;

"**Designated Account**" means an account of the Companies:

1.1.1 with the Account Bank other than the Rent Account; or

1.1.2 with any other bank which has been notified of the Lender's interest in such account and has agreed in writing not to permit withdrawals from such account except with the written consent of the Lender;

"**Dividends**" means all dividends, interest and other money payable in respect of the Investments;

"**Financial Collateral Regulations**" means the Financial Collateral Arrangements (No 2) Regulations 2003 SI 2003/3226;

"**Insolvency Act**" means the Insolvency Act 1986;

"**Intellectual Property**" means all present and future rights of the Companies in respect of any patent, copyright, trade mark, service mark, invention, design, knowhow, confidential information or any other kind of intellectual property whether registered or unregistered and any registration or application for registration, licence or permission relating to any of the foregoing;

"**Investment**" means any:

1.1.1 stock, share, bond or any form of loan capital of or in any legal entity;

1.1.2 unit in any unit trust or similar scheme;

1.1.3 warrant or other right to acquire any such investment,

and any offer, right or benefit in respect of any such investment other than Dividends;

"**LPA**" means the Law of Property Act 1925;

"**Plant and Equipment**" means any fittings, plant, equipment, machinery, tools, vehicles, furniture and other tangible movable property which are not Real Property;

"**Property**" means the property described in Schedule 1;

"**Receiver**" means any one or more persons appointed as a receiver, receiver and manager or administrative receiver under this deed; and

"**Secured Liabilities**" means all obligations of the Companies owed or expressed to be owed to the Lender whether owed jointly or severally, as principal or surety or in any other capacity.

1.2 Terms used in the Loan Agreement and not defined herein shall have the meanings ascribed to them in the Loan Agreement.

1.3 <u>Interpretation</u>

In this deed, unless a contrary indication appears:

1.3.1 "**obligations**" means obligations and liabilities;

1.3.2 references to obligations include the whole or any part of them, present and future, actual and contingent;

1.3.3 any reference to "**powers**" include rights, powers, discretions and authorities; and

1.3.4 any reference to any asset include any proceeds of sale of any such asset.

1.3.5 The provisions of clause 1.3 (Interpretation) of the Loan Agreement apply to this deed as though they were set out in full in this deed, except that references to the Loan Agreement will be construed as references to this deed.

1.4 Incorporation

This deed incorporates the terms of the Finance Documents and any side letters between the parties to the extent required to ensure the validity of any purported disposition under this deed of any freehold or leasehold property under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 Continuation of undertakings

Any undertaking made by or obligation imposed on the Companies in this deed will continue in force until the Lender is satisfied that it has no further obligation to provide financial accommodation to the Companies and all the Secured Liabilities have been irrevocably paid or discharged in full.

2. UNDERTAKING TO PAY

The Companies undertake with the Lender to pay the Secured Liabilities to the Lender when due.

3. FIXED SECURITY

3.1 As continuing security for the payment of the Secured Liabilities the Companies with full title guarantee:

3.1.1 charge to the Lender by way of first legal mortgage all Real Property owned by the Companies at the date of this deed including the Property;

3.1.2 charge to the Lender by way of equitable mortgage any Real Property acquired by the Companies after the date of this deed;

3.1.3 charge to the Lender by way of first fixed charge their rights and interest in:

3.1.3.1 all present or future Real Property owned by the Companies not otherwise charged by way of legal or equitable mortgage pursuant to clauses 3.1.1 or 3.1.2;

3.1.3.2 all chattels, plant, vehicles and machinery now or at any time hereafter belonging to the Companies or hired, leased or rented by the Companies to any other person;

3.1.3.3 its present and future goodwill, uncalled capital and future calls;

3.1.3.4 any present or future Debts owing to the Companies;

3.1.3.5 any present or future insurances in respect of any Charged Property and the proceeds of such insurances;

3.1.3.6 to the extent they are not subject to an effective assignment under clause 3.1.3, the benefit of all contracts, licences, consents and authorisations held in connection with their business or the use of Charged Property;

3.1.3.7 any present or future Intellectual Property;

3.1.3.8 any money now or at any time after the date of this deed standing to the credit of any Designated Account;

3.1.3.9 any money now or at any time after the date of this deed standing to the credit of the Rent Account;

3.1.3.10 any money now or at any time after the date of this deed standing to the credit of the Deposit Account;

3.1.4 assign to the Lender by way of fixed security their rights and interest in:

3.1.4.1 any Rental Income;

3.1.4.2 any guarantee of Rental Income contained in or relating to any occupational lease;

3.1.4.3 any present or future right to occupy any Real Property under licence;

3.1.4.4 any present or future contract for the purchase of any Real Property and damages payable in respect of any such contract;

3.1.4.5 the Management Agreement;

3.1.4.6 all contracts and policies of insurance taken out by or on behalf of the Companies; and

3.1.5 assign to the Lender by way of equitable mortgage their rights and interest in:

3.1.5.1 any present or future Investments owned by the Companies;

3.1.5.2 any Dividends in respect of any Investments.

3.2 The security from time to time constituted by or pursuant to this Debenture shall:

3.2.1 be in addition to and shall be independent of every bill, note, guarantee, mortgage or other security which the Lender may at any time hold for any of the Secured Liabilities and it is hereby declared that no prior security held by the Lender over the Charged Property or any part thereof shall merge into the Security; and

3.2.2 remain in full force and effect as a continuing security until the earlier of (i) the Lender having certified in writing that the Secured Liabilities have been discharged in full and (ii) the security constituted by this Debenture having been released.

4. FLOATING SECURITY

4.1 Floating charge

As continuing security for the payment of the Secured Liabilities the Companies charge to the Lender by way of floating charge with full title guarantee all their undertakings and all their property and the whole of their assets whosesoever situated both present and future to the extent that such assets are not effectively mortgaged, charged or assigned to the Lender by way of fixed security under clause 3 (Fixed Security).

4.2 Conversion

Subject to clause 4.3 (Moratorium under Insolvency Act), the Lender may at any time by written notice to the Companies convert the floating charge created by clause 4.1 (Floating Charge) into a fixed charge as regards any assets specified in the notice if:

4.2.1 an Event of Default has occurred; or

4.2.2 in the opinion of the Lender such assets are at risk of becoming subject to any Security (other than a Permitted Security) or are otherwise at risk of ceasing to be within the ownership or control of the Companies.

4.3 Moratorium under Insolvency Act

The Lender shall not be entitled to convert the floating charge created by clause 4.1 (Floating Charge) into a fixed charge as a result only of the Companies obtaining a moratorium or anything done with a view to obtaining a moratorium under section 1A of and schedule A1 to the Insolvency Act.

4.4 Qualifying floating charge

Paragraph 14(2)(a) of schedule B1 to the Insolvency Act applies to the floating charge created by clause 4.1 (Floating Charge) which is a "qualifying floating charge" for the purpose of paragraph 14(1) of schedule B1 to the Insolvency Act.

5. RENTAL INCOME AND BANK ACCOUNTS AND ASSIGNED AGREEMENTS

5.1 Prohibited dealings

The Companies shall not without first obtaining the written consent of the Lender compound, release or do anything by virtue of which the collection and recovery of any of the Rental Income may be impeded, delayed or prevented.

5.2 Notice of assignment of Rental Income and acknowledgement

The Companies shall if required by the Lender give notice of assignment of the Rental Income in the form set out in part 1 of Schedule 2 (and the Lender may specify in its absolute discretion whether the wording in square brackets is to be included or omitted from such notice) to each tenant of the Property and shall procure that each such tenant executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of Schedule 2.

5.3 Notice of charge of bank accounts and acknowledgment

The Companies shall give notice of the charge of the Rent Account and each other of their bank accounts in the form set out in part 1 of Schedule 3 to the Account Bank (or as the case may be other bank) and shall procure that such bank executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of Schedule 3.

5.4 Notice of assignment of policies of insurance and acknowledgment

The Companies shall if required by the Lender give notice of assignment of the Companies' insurance policies in the form set out in part 1 of Schedule 4 to the relevant insurer(s) and shall procure that each such insurer executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of Schedule 4.

5.5 Notice of assigned agreements and acknowledgement

The Companies shall if required by the Lender give notice of assignment of any agreement assigned pursuant to any Finance Document to each party to such agreement in the form set out in part 1 of Schedule 5 and procure that each such party executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of Schedule 5.

6. DEBTS

6.1 The Companies shall:

6.1.1 use their best endeavours (having regard exclusively to the interests of the Lender) to realise the Debts and not give any release or waiver or do anything which may prejudice the collection and recovery of any of the Debts;

6.1.2 from time to time if required by the Lender provide the Lender with the names and addresses of the debtors of the Companies and the amount of the Debts owing from each of them and such other information relating to the Debts as the Lender may require;

6.1.3 immediately pay the proceeds of realisation of any Debt into the Rent Account; and

6.1.4 permit the Account Bank to disclose to the Lender from time to time upon request full details of all the Companies' accounts with such bank and any other information relating to the Companies held by such bank.

7. INVESTMENTS

7.1 Deposit of certificates

The Companies shall deposit with the Lender:

7.1.1 on or before the date of this deed, the certificates or other documents of title to each Investment owned by the Companies on such date;

7.1.2 on the date of the acquisition of any Investment acquired by the Companies after the date of this deed or on the withdrawal of any Investment owned by the Companies from any clearance system, the certificates or other documents of title to each such Investment;

7.1.3 duly executed undated blank transfers in respect of each such Investment and forms of waiver of any pre-emption rights necessary to enable such transfers to be registered.

7.2 Payment of money due

The Companies shall promptly pay into the Rent Account all money which may from time to time be due in respect of any Investment forming part of the Charged Property.

7.3 Nominees

If any Investment forming part of the Charged Property is registered in the name of a nominee the Companies shall on demand provide to the Lender an equitable mortgage over such Investment or power of attorney or acknowledgement of the rights created by this deed over such Investment in favour of the Lender in such terms as the Lender may require duly executed by or on behalf of such nominee.

7.4 Completion of transfers

The Lender may at any time complete any transfers of any Investment delivered to it under clause 7.1.3 in favour of itself or any nominee for it as transferee and may present the same for registration.

7.5 Dividends and voting rights before Event of Default

Until the occurrence of an Event of Default:

7.5.1 the Companies shall be entitled to receive all Dividends in respect of any Investment forming part of the Charged Property free from the security created by this deed; and

7.5.2 the Companies will be entitled to exercise all voting rights attached to any Investment forming part of the Charged Property and if the Lender is registered as the holder of any such Investment it will exercise all voting rights attached to it as directed by the Companies.

7.6 Dividends and voting rights after Event of Default

After the occurrence of an Event of Default:

7.6.1 if any Investment forming part of the Charged Property is not then registered in the name of the Lender or a nominee for the Lender the Lender will be entitled to become so registered or to procure registration in the name of a nominee;

7.6.2 all Dividends will be payable to the Lender and may be applied by the Lender in reduction of the Secured Liabilities whether or not any Investment forming part of the Charged Property is registered in the name of the Lender or any nominee for the Lender or in the name of the Companies or any nominee for the Companies;

7.6.3 the Lender will be entitled at its discretion to exercise or procure the exercise of all voting rights attached to any Investment forming part of the Charged Property that is registered in the name of the Lender or any nominee for the Lender for the purpose only of preserving the value of such Investment or realising the security over such Investment created by this deed; and

7.6.4 the Companies shall exercise or procure the exercise of any voting rights attached to any Investment forming part of the Charged Property that is registered in the name of the Companies or any nominee for the Companies as directed by the Lender for the purpose mentioned in paragraph 7.6.3 above.

7.7 Dematerialisation

The Companies must promptly take all action required for the rematerialisation of any Investments forming part of the Charged Property held in dematerialised form in a clearance system.

8. NEGATIVE UNDERTAKINGS

8.1 Negative pledge

The Companies shall not enter into, create or permit to subsist any Security over any of the Charged Property other than a Permitted Security.

8.2 Disposals

The Companies shall not sell, transfer, lease or otherwise dispose or purport or agree to dispose of:

8.2.1 any of their assets which are expressed to be mortgaged by way of legal or equitable mortgage, assigned by way of security or charged by way of fixed security or charge to the Lender under clause 3 (Fixed Security);

8.2.2 any of its other assets other than on arms length terms in the ordinary course of its trading.

9. UNDERTAKINGS RELATING TO THE CHARGED PROPERTY

The undertakings set out in this clause remain in force from the date of this deed for so long as any amount is outstanding under the Finance Documents or the Lender has any obligation to lend under the Loan Agreement.

9.1 Repair

The Companies shall:

9.1.1 not commit any waste which injures or lessens the value of the Property;

9.1.2 keep the Charged Property which is of a repairable nature in good and substantial repair and condition; and

9.1.3 not, without first obtaining the written consent of the Lender, make any structural alterations or additions to or carry out any development on or make any planning or similar application relating to any of the Charged Property.

If the Companies fail to comply with the undertakings in paragraphs 9.1.12 and 9.1.3 above the Lender will be entitled to repair and maintain the Charged Property and carry out works of reinstatement at the cost of the Companies and will for this purpose have the rights of entry set out in this clause.

9.2 Proprietorship

The Companies shall not permit any person:

9.2.1 to be registered as proprietor under the Land Registration Act 2002 of any Charged Property nor create or permit to arise any interest referred to in schedule 1 or schedule 3 of such Act affecting any Charged Property; or

9.2.2 to become entitled to any proprietary right or interest which might affect the value of any Charged Property.

9.3 Acquisitions and disposals of Real Property

The Companies shall:

9.3.1 promptly notify the Lender of any proposal, contract, conveyance, option, transfer or other disposition involving the acquisition by the Companies of any interest in any Real Property or, without prejudice to clause 8 (Negative Undertakings), any sale, lease, transfer or other disposal by the Companies of an interest in any Real Property; and

9.3.2 execute and deliver to the Lender an additional Debenture in respect of any such Real Property which it may hereafter acquire.

9.4 Powers of leasing

The Companies' statutory and any other powers of entering into leases and accepting or agreeing to accept surrenders of leases are excluded and shall not be exercisable by the Companies in relation to the Charged Property and the Companies shall not without first obtaining the Lender's written consent:

9.4.1 grant or agree to grant any consent or license under any lease in respect of any Charged Property;

9.4.2 part with possession or occupation of, confer any licence or right to occupy nor confer any interest in any Charged Property;

9.4.3 grant any permission to assign, underlet or part with possession or occupation of any Charged Property;

9.4.4 grant any permission to make alterations to any Charged Property;

9.4.5 agree or permit any amendment to or waiver of the terms of any lease (including any lease under which the Companies are a tenant); or

9.4.6 exercise any power to determine any lease.

9.5 Right of entry

The Companies shall permit the Lender, its agents and contractors at reasonable times and upon reasonable notice (or at any time without notice after the occurrence of an Event of Default or in case of emergency) to:

9.5.1 have access to their accounts and accounting records and to any books and records relating to the Charged Property, to inspect and take extracts from the same and make photocopies thereof and the Companies shall provide, at their cost and expense, such clerical and other assistance as the Lender may request with regard thereto provided that such books records accounts and copies are not disclosed to any persons who is not a party to this deed or their professional advisors or as maybe required by law;

9.5.2 enter into or upon any Charged Property without becoming liable as mortgagee in possession:

9.5.2.1 to view the state and condition of or to value it;

9.5.2.2 to comply with or object to any direction or notice or other matter served upon the Companies; and

9.5.2.3 to carry out at the cost of the Companies any repairs or maintenance or to take any action which the Lender considers necessary or desirable in connection with any Charged Property to procure compliance with any obligation of the Companies in this deed.

9.6 Identification plate

The Companies shall if so requested by the Lender:

9.6.1 place and maintain on any Plant and Equipment forming part of the Charged Property, in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [description of item] and ancillary equipment is subject to a fixed charge in favour of Canada Life Limited.";

9.6.2 obtain from any landlord of premises on which any such Plant and Equipment is located a waiver of such landlord's rights of distress in form and substance satisfactory to the Lender.

9.7 Intellectual Property

The Companies shall permit preserve, maintain and renew as and when necessary all Intellectual Property required in connection with their business and/or the premises in which such business is conducted.

9.8 Documents of title

The Companies shall deposit with the Lender all deeds and documents of title relating to the Charged Property.

9.9 Compliance with obligations

The Companies shall in respect of the Charged Property pay all rents, rates, outgoings and other sums payable and observe and perform all covenants and stipulations from time to time affecting any part of the Charged Property or the manner of use or the enjoyment of the same and shall not without the prior written consent of the Lender enter into any onerous or restrictive obligations affecting any part thereof.

9.10 Failure to comply

If the Companies fails to comply with any of its obligations under this deed the Lender may take such steps as it considers appropriate to procure compliance with such obligations at the cost of the Companies.

10. REPRESENTATIONS AND WARRANTIES

The Companies hereby represent and warrant to the Lender as follows:

10.1 the two entities, taken together being the Companies, are limited companies duly incorporated and validly existing under the laws of England and Wales;

10.2 the Companies have the power to enter into, to perform, deliver and comply with their obligations under or pursuant to and to create the security constituted by or pursuant to this Debenture;

10.3 all necessary corporate action has been taken by the Companies to authorise the execution and delivery of this Debenture, to create the security constituted by or pursuant to this Debenture and to observe and perform its obligations under this Debenture;

10.4 subject to equitable principles and matters affecting creditors' rights generally, this Debenture as executed and delivered constitutes and will constitute a legal valid and binding obligation of the Companies enforceable in accordance with its terms;

10.5 neither the entry nor the performance of or compliance with their obligations under or pursuant to this Debenture nor the creation of the security created by it does or will violate in any manner, or exceed any borrowing or other powers or restrictions granted or imposed under or pursuant to:

10.5.1 any law to which the Companies are subject; or

10.5.2 the Companies' Memorandums or Articles of Association; or

10.5.3 any other agreement, arrangement or understanding to which the Companies are a party or otherwise subject in any respect;

10.6 that for the purposes of section 125 of the Charities Act 2011;

10.6.1 their interest in the Property is held by them on behalf of the Beneficiary;

10.6.2 the Beneficiary is a non-exempt charity; and

10.6.3 none of the Security Documents to be executed fall within section 124(9) of the Charities Act so that restrictions imposed by section 124 of the Charities Act 2011 apply.

10.7 That having obtained and considered such advice as is mentioned in section 124(2) of the Charities Act:

10.7.1 the transactions envisaged by the Security Documents are necessary, in the reasonable opinion of the Companies for the purpose of refinancing, by way of extension, the Companies' existing indebtedness to the Lender, for and on behalf of the Beneficiary;

10.7.2 the terms of the Security Documents are reasonable; and

10.7.3 the Companies can comply with their obligations under the Security Documents.

each of the representations and warranties in clauses 10.1 to 10.5.3 shall be deemed to be repeated by the Companies on each day until the Secured Liabilities have been paid or discharged in full as if made with reference to the facts and circumstances existing on each such day.

11. ENFORCEMENT OF SECURITY

11.1 Lender's powers

On the occurrence of an Event of Default, this deed shall become enforceable and the Lender may immediately or at any time thereafter:

11.1.1 appoint one or more persons as an Administrator of the Companies in accordance with schedule B1 to the Insolvency Act;

11.1.2 exercise the power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed;

11.1.3 subject to section 72A of and paragraph 43 of Schedule A1 to the Insolvency Act, appoint one or more persons as a receiver and manager or administrative receiver of any Charged Property;

11.1.4 exercise all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act;

11.1.5 by notice to the Companies end the Companies's right to possession of all or any Real Property forming part of the Charged Property and enter into possession of all or such part of such Real Property;

11.1.6 to the extent that this deed constitutes a "security financial collateral arrangement" as defined in the Financial Collateral Regulations, appropriate any Charged Property which constitutes "financial collateral" as defined in the Financial Collateral Regulations in or towards satisfaction of the Secured Liabilities and the Lender shall value such Charged Property by reference to an independent valuation or other procedure selected by the Lender acting reasonably.

11.2 Powers under the LPA

11.2.1 Section 103 of the LPA will not apply to this deed.

11.2.2 The power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed will arise upon execution of this deed by the Companies.

11.3 Cash Cover

After the occurrence of an Event of Default the Companies shall, immediately on demand, provide to the Lender full cash cover for any contingent liabilities forming part of the Secured Liabilities including liabilities arising in respect of bills of exchange or promissory notes accepted, endorsed or discounted and bonds, guarantees, indemnities, documentary or other credits or other instruments from time to time entered into by the Lender.

11.4 Administrators

If the Lender appoints two or more persons as Administrator of the Companies, the appointment may specify whether those persons are to act jointly or concurrently.

11.5 Receivers

11.5.1 The Lender may appoint any Receiver upon such terms as to remuneration and otherwise as the Lender thinks fit and the maximum rate specified in section 109(6) of the LPA shall not apply.

11.5.2 Any Receiver will be the agent of the Companies for all purposes and the Companies will be responsible for such Receiver's acts and defaults and for his remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Lender.

11.5.3 Where two or more persons are appointed as Receiver any act authorised to be done by the Receiver may be done by all of them acting jointly or by any one or more of them acting severally.

11.5.4 The Lender may at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Lender appoints any other person as Receiver in his place.

12. POWERS OF RECEIVER AND LENDER

12.1 Statutory powers

A Receiver shall have and be entitled to exercise all the powers conferred on a receiver by the LPA and, whether or not such a Receiver is an administrative receiver, all the powers conferred upon an administrative receiver by schedule 1 to the Insolvency Act which powers are incorporated in this deed.

12.2 Additional powers

By way of addition to and without limiting any other powers referred to in this clause a Receiver shall have power (both before and after the commencement of any liquidation of the Companies) to do every act and thing and exercise every power:

12.2.1 which the Companies would have been entitled to do or exercise if no Receiver had been appointed or which the Receiver would have been entitled to do or exercise if the Receiver were the absolute legal and beneficial owner of the Charged Property;

12.2.2 which such Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of any Charged Property or for or in connection with the enforcement of the Security created by this deed or the realisation of any Charged Property,

and may use the name of the Companies in connection with any exercise of such powers.

12.3 Prior encumbrances

At any time after the security given by this deed has become enforceable, the Lender may redeem any prior Security against the Charged Property or procure a transfer of such Security to itself and may agree the accounts of the person entitled to that Security and any accounts so agreed will be binding on the Companies. Any money paid by the Lender in connection with a redemption or transfer of any prior Security will form part of the Secured Liabilities.

12.4 Possession

If the Lender, any Receiver or any delegate of either of them takes possession of any Charged Property it may go out of possession at any time.

13. DELEGATION OF POWERS BY LENDER OR RECEIVER

13.1 Delegation

The Lender or any Receiver may from time to time delegate by power of attorney or in any other manner to any person any powers which are for the time being exercisable by the Lender or a Receiver under this deed in relation to any Charged Property and any such delegation may be made upon such terms as the Lender or such Receiver may think fit.

13.2 Liability for delegates

Neither the Lender nor any Receiver will be in any way liable or responsible to the Companies for any loss or damage arising from any act or omission on the part of any such delegate unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the delegate.

14. EXCLUSION OF LIABILITY

14.1 No obligation to recover

Neither the Lender nor any Receiver is under any obligation to take action to collect any money or enforce any rights comprised in the Charged Property whether or not it is in possession of the relevant Charged Property.

14.2 Liability as mortgagee in possession

If the Lender or any Receiver takes possession of any Charged Property, it will not be liable to account to the Companies for anything except actual receipts or be liable to the Companies for any loss arising from any realisation of any Charged Property or for any default or omission for which a receiver or mortgagee in possession would be liable.

14.3 Losses on enforcement

The Lender or any Receiver will not be liable to the Companies for any loss or damage arising from:

14.3.1 any sale of any Charged Property;

14.3.2 any act, default or omission of the Lender or any Receiver in relation to any Charged Property; or

14.3.3 any exercise or non-exercise by the Lender or any Receiver of any power conferred upon it in relation to any Charged Property by or pursuant to this deed or by the LPA,

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the Lender or any Receiver.

15. REIMBURSEMENT AND INDEMNITY

15.1 Reimbursement

The Companies shall pay to the Lender on demand:

15.1.1 any money paid by the Lender or any Receiver:

15.1.1.1 as a result of the Lender or any Receiver taking action which the Lender or any Receiver considers necessary or desirable in connection with any Charged Property or to procure compliance with any obligation of the Companies in this deed; or

15.1.1.2 in respect of any action or thing expressed in this deed to be done at the cost of the Companies;

15.1.2 all costs, fees, taxes and expenses incurred by the Lender or any Receiver under or in connection with this deed or its enforcement and/or the preservation of the Lender's rights under this deed.

15.2 Indemnity

The Companies shall indemnify each of the Lender and any Receiver against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way (including any liability under any Environmental Law) which it may at any time incur in connection with this deed or for anything done or omitted to be done in the exercise or purported exercise of its powers pursuant to this deed unless such liabilities, claims and expenses are caused by its fraud, gross negligence or wilful misconduct.

16. APPLICATION OF SUMS REALISED

16.1 Order of application

Subject to claims having priority to the Security created by this deed all money recovered by the Lender or any Receiver as a result of the enforcement of this deed or otherwise by reason of the Security created by this deed will be applied in the following order:

16.1.1 in payment of all costs, fees, taxes and expenses incurred by the Lender or any Receiver in or pursuant to the exercise of the powers set out in this deed and all other outgoings properly payable by any Receiver;

16.1.2 in payment of remuneration to any Receiver;

16.1.3 in or towards payment of the Secured Liabilities; and

16.1.4 the balance (if any) will be applied as required by law.

16.2 Contingent or future liabilities

If any money is received by the Lender or a Receiver as a result of the enforcement of this deed or otherwise by reason of the Security created by this deed at a time when the Secured Liabilities include contingent or future liabilities the Lender or any Receiver may hold some or all of such money in a suspense account.

17. PROTECTION OF PERSONS DEALING WITH LENDER OR RECEIVER

17.1 No person dealing with the Lender or any Receiver will be concerned to enquire:

17.1.1 whether any event has happened upon which any of the powers conferred by this deed may have arisen or be exercisable;

17.1.2 otherwise as to the propriety or regularity of any exercise of the powers conferred by this deed or of any act purporting or intended to be in exercise of such powers; or

17.1.3 whether any Secured Liabilities remain owing.

18. NOTICE OF SUBSEQUENT CHARGE

18.1 If the Lender receives notice of any Security or other interest affecting any Charged Property:

18.1.1 it may open a new account for the Companies in its books and may transfer any outstanding balance owing by the Companies to such new account;

18.1.2 if it does not open a new account then, unless it gives express written notice to the contrary to the Companies, all payments made by the Companies to it will as from the time of receipt of such notice be treated as having been credited to a new account of the Companies and not as having been applied in reduction of the Secured Liabilities.

19. FURTHER ASSURANCE

19.1 When required by the Lender or any Receiver the Companies shall, at their own cost:

19.1.1 execute a charge by way of legal mortgage, assignment by way of security or fixed charge over any assets of the Companies and such legal mortgage, assignment or charge shall secure the Secured Liabilities and contain a power of sale which arises immediately upon execution, provisions excluding section 93 of the LPA and the restrictions contained in section 103 of the LPA and such other provisions including any similar to those in this deed as the Lender may reasonably require;

19.1.2 execute any documents or do any other thing which the Lender or any Receiver may require for perfecting or protecting any Security created by this deed or in connection with the exercise of any powers given to the Lender or any Receiver under this deed; and

19.1.3 convey, transfer, assign or otherwise deal with any Charged Property in such manner as the Lender or any Receiver may require in connection with any enforcement of any Security created by this deed.

20. POWER OF ATTORNEY BY COMPANIES

20.1 The Companies irrevocably and by way of security appoint each of the Lender, any person selected by the Lender and any Receiver as their attorney in each case (with full power to appoint substitutes and to delegate) severally in their name and on their behalf to execute any document or do any act or thing which:

20.1.1 the Companies are entitled to execute or do in relation to the Charged Property including giving a receipt for any money and exercising any rights or remedies forming part of the Charged Property; or

20.1.2 the Companies are obliged to execute or do under this deed.

21. DISCHARGE OF SECURITY

21.1 Discharge conditional

Any discharge of the Companies by the Lender in reliance on a payment or security received by the Lender will cease to be effective if that payment or security is avoided, reduced or invalidated for any reason and the Lender will be entitled to recover from the Companies on demand the amount of the Secured Liabilities discharged by such payment or security.

21.2 Retention of security

Following any discharge of the Companies made by the Lender in reliance on a payment or security the Lender may retain the security constituted by this deed until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Lender may retain the security constituted by this deed for as long as it thinks fit.

22. REDEMPTION

After the repayment or discharge in full of the Secured Liabilities and provided that the Lender is satisfied that the Lender is not under any obligation to provide financial accommodation to the Companies the Lender will at the request and cost of the Companies release the Charged Property from the Security created by this deed.

23. MISCELLANEOUS

23.1 Possession

The Companies shall be entitled to possession of any Real Property forming part of the Charged Property until termination of such right by the Lender under clause 11.1 (Lender's Powers).

23.2 Third Party Rights

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

23.3 Continuing Security

This deed is a continuing security and extends to the balance from time to time of the Secured Liabilities irrespective of any intermediate payment of monies due to the Lender.

23.4 Other Security

This deed is in addition to and will not in any way be prejudiced or affected by the holding or release by the Lender or any other person of any other security at any time held by the Lender.

23.5 Consolidation

The restrictions on the right of consolidating mortgage securities contained in section 93 of the LPA will not apply to this deed.

23.6 Land Registry Consent

By executing this deed the Companies consent to the entry of the following restriction in Standard Form P (as prescribed in schedule 4 to the Land Registration Rules 2003) against any registered titles (and any unregistered properties subject to compulsory first registration) which are at any time subject to this deed:

> "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of Canada Life Limited referred to in the charges register [or [their conveyancer or specify appropriate details]]."

24. LAW

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

25. **JURISDICTION**

25.1 Jurisdiction of English courts

25.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed and a dispute regarding a non contractual obligation referred to in clause 24 (Law)) (a "**Dispute**").

25.1.2 The Lender and the Companies agree that the courts of England are the most appropriate and convenient courts to settle Disputes. The Companies will not argue to the contrary.

25.1.3 This clause is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

This deed has been executed and delivered as a deed by the Companies and signed on behalf of the Lender on the date shown at the beginning of this deed.

SCHEDULE 1

The Property

The freehold property known as Westside London Road, Apsley, Hemel Hempstead, Hertfordshire HP3 9YF registered at the Land Registry under title number HD427148.

SCHEDULE 2

Part 1

Notice of Assignment to Tenant

To: [The Tenant]

[Date]

Dear Sirs,

Westside, London Road, Apsley, Hemel Hempstead, Hertfordshire, HP3 9YF

1. We refer to the lease dated [ ] made between [ ] and [ ] (the "Lease").

2. We:

(a) give you notice that by a Debenture (the "**Debenture**") dated [ ] and executed by us in favour of Canada Life Limited (as "**Lender**"), we have assigned to the Lender all our rights and interest in all amounts now or at any time in the future payable to us under or in connection with the Lease including but not limited to each of the following amounts:

(i) rent including any increase of rent or interim rent agreed by us or payable pursuant to any provisions of the landlord and tenant act 1954 and all other amounts payable under the lease;

(ii) amounts payable from any deposit held as security for performance of your obligations under the lease;

(iii) any profits, damages, compensation, settlement or expenses awarded or agreed as a result of any claim made by us under the lease;

(iv) any amount payable or the value of any consideration to be given by or on behalf of you for the surrender or variation of the lease;

(v) any interest payable on any amount referred to above;

(vi) value added tax on any amount referred to above; and

(vii) any other payments arising under the Lease,

(b) irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given to the contrary) to pay any rent and other moneys payable by you under the Lease [save to the extent set out in paragraph (2) (c) of this notice] to the account nominated by the Lender from time to time and initially by cheque payable directly to us to the following account (the "**Rent Account**"):

Name of Bank: [ ]
Account No. [ ]
Sort Code: [ ]

the instructions set out in this notice shall apply until you receive notice from the Lender to the contrary; and

(c) [confirm that until you receive further notice from the Lender to the contrary, you may pay any amounts that are solely due from you in respect of insurance premium and/or service charge payments under the Lease to our managing agent as notified to you from time to time.]

3. This letter is governed by English law.

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at:

Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For the attention of: Mortgage Portfolio Manager

Yours faithfully,

....
For and on behalf of On-Site Estates Limited and Locate Property Limited

Part 2

Acknowledgement

To: Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For attention of: Mortgage Portfolio Manager

[Date]

Dear Sirs,

Westside, London Road, Apsley, Hemel Hempstead, Hertfordshire, HP3 9YF

1. We acknowledge receipt of a notice dated [ ] (the "**Notice**") and addressed to us by On-Site Estates Limited and Locate Property Limited (the "**Companies**").

   Words and expressions defined in the Notice will have the same meaning in this letter.

2. We confirm our acceptance of the instructions and authorisations contained in the Notice.

3. We acknowledge and confirm that:

   (a) We have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Companies under or in respect of the Lease;

   (b) We shall pay all rent and all other moneys payable by us under the Lease [save to the extent set out in paragraph 2(c) of the Notice] into the Rent Account and we shall continue to pay those moneys into the Rent Account until we receive written instructions from the Lender to the contrary; and

   (c) These instructions may not be altered without the consent in writing of the Lender.

4. This letter is governed by English law.

Yours faithfully,

....
For and on behalf of [The Tenant]

SCHEDULE 3

Part 1

Form of notice to Account Bank

To: [Name and address of Account Bank] (the "**Account Bank**")

[Date]

Dear Sirs

Account Number [ ](the "Security Account")

We refer to the account of On-Site Estates Limited and Locate Property Limited (the "**Chargor**") with you numbered [ ].

We give you notice that, by a debenture dated [ ] the Chargor has charged to Canada Life Limited (the "**Lender**") its interest in and to the money from time to time standing to the credit of the account referred to above (the "**Charged Account**") and to all interest (if any) accruing on the Charged Account.

We irrevocably authorise and instruct you until you receive written notice from the Lender to the contrary:

1. to pay all or any part of monies from time to time standing to the credit of the charged account to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect;

2. to disclose to the Lender any information relating to the Chargor and the Charged Account which the Lender may from time to time request you to provide; and

3. not to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account without first obtaining the consent in writing of the Lender.

This notice and any non-contractual obligations arising out of or in connection with this notice are governed by the law of England.

Would you please acknowledge receipt of this letter and your acceptance of the above by signing the attached form of acknowledgement and returning it to the Lender at:

Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For the attention of: Mortgage Portfolio Manager

Yours faithfully,

....

For and on behalf of On-Site Estates Limited and Locate Property Limited

Part 2

Acknowledgement

To: Canada Life Limited
1-6 Lombard Street
London
EC3V 9JU
For the attention of: Mortgage Portfolio Manager

[Date]

Dear Sirs,

We acknowledge receipt of a notice (a copy of which is attached) dated [ ] (the "Notice") and addressed to us by On-Site Estates Limited and Locate Property Limited (the "Chargor").

Expressions defined in such Notice have the same meanings in this acknowledgement.

We acknowledge and confirm that:

1. we accept the instructions in the Notice and will act in accordance with the provisions of such Notice until the Lender notifies us in writing that the Notice is revoked;

2. we have not received Notice that any third party has any interest in the Charged Account;

3. we have not claimed or exercised, nor will we claim or exercise against the Chargor, any right of set-off, lien, combination of accounts, counterclaim or other right relating to the Charged Account.

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England and in connection with any proceedings with respect to this acknowledgment and any such non-contractual obligations we submit to the jurisdiction of the Courts of England for your exclusive benefit.

Yours faithfully,

....
For and on behalf of [Account Bank]

SCHEDULE 4

Part 1

Form of Notice to Insurers

To: [The Insurer]

[Date]

Dear Sirs

On-Site Estates Limited and Locate Property Limited

We:

(a) Give you notice that by a Debenture (the "**Debenture**") dated [ ] and executed by us in favour of Canada Life Limited (as "**Lender**"), all our rights in and to the policy of insurance, brief details of which are set out below (the "**Policy**") and all the proceeds of the same from time to time due to us have been assigned to the Lender upon the terms set out in the Debenture; and

(b) Irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given to the contrary) to pay any moneys payable by you under the Policy to the account nominated by the Lender from time to time and initially to the following account in our name:

Name of Bank: [ ]
Account No. [ ]
Sort Code: [ ]

This instruction shall apply until you receive notice from the Lender to the contrary.

This letter is governed by English law.

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at:

Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For the attention of: Mortgage Portfolio Manager

Yours faithfully

....
For and on behalf of On-Site Estates Limited and Locate Property Limited

Details of the Policy:	
Name of Insured:	
Nature of Policy:	
Policy Number:	
Expiry Date:	

Part 2

Acknowledgement

To: Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For attention of: Mortgage Portfolio Manager

[Date]

Dear Sirs,

On-Site Estates Limited and Locate Property Limited

1. We acknowledge receipt of a notice dated [ ] (the "**Notice**") and addressed to us by On-Site Estates Limited and Locate Property Limited (the "**Companies**").

   Words and expressions defined in the Notice will have the same meaning in this letter.

2. We confirm our acceptance of the instructions and authorisations contained in the Notice.

3. We acknowledge and confirm that:

   (a) We have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Companies under or in respect of the Policy;

   (b) We shall pay all moneys payable by us under the Policy into the account referred to in the Notice; and

   (c) These instructions may not be altered without the consent in writing of the Lender.

4. This letter is governed by English law.

Yours faithfully

....
For and on behalf of [The Insurer]

SCHEDULE 5

Part 1

Form of Notice to Other Parties

To: [Relevant Party]

[Date]

Dear Sirs

[Name and Date of Agreement]

1. We refer to an agreement dated [ ] and made between (1) [ ] and (2) [ ] (the "**Agreement**").

2. We:

   (a) Give you notice that by a Debenture (the "**Debenture**") dated [ ] and executed by us in favour of Canada Life Limited (as "**Lender**") as defined in the Debenture, all our rights in and to the Agreement, including the right to receive any payments due under the Agreement have been assigned to the Lender upon the terms set out in the Debenture; and

   (b) Irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given to the contrary) to pay any moneys payable by you under the Agreement to the account nominated by the Lender from time to time and initially to the following account in our name:

   Name of Bank: [ ]
   Account No. [ ]
   Sort Code: [ ]

   This instruction shall apply until you receive notice from the Lender to the contrary.

3. This letter is governed by English law

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at:

Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For the attention of: Mortgage Portfolio Manager

Yours faithfully

....
For and on behalf of On-Site Estates Limited and Locate Property Limited

Part 2

Acknowledgement

To: Canada Life Limited
1-6 Lombard Street
London, EC3V 9JU
For attention of: Mortgage Portfolio Manager

[Date]

Dear Sirs

[Name and Date of Agreement]

1. We acknowledge receipt of a notice dated [ ] (the "**Notice**") and addressed to us by On-Site Estates Limited and Locate Property Limited (the "**Companies**").

   Words and expressions defined in the Notice will have the same meaning in this letter.

2. We confirm our acceptance of the instructions and authorisations contained in the Notice

3. We acknowledge and confirm that:

   (a) We have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Companies under or in respect of the Agreement;

   (b) We shall pay all moneys payable by us under the Agreement into the account referred to in the Notice; and

   (c) These instructions may not be altered without the consent in writing of the Lender.

4. This letter is governed by English law.

Yours faithfully

....
For and on behalf of [Relevant Party]

EXECUTION

THE COMPANIES:

EXECUTED as a deed ~~under the COMMON SEAL of~~ by LOCATE PROPERTY LIMITED acting by:)

Director

Director/Secretary

EXECUTED as a deed ~~under the COMMON SEAL of~~ by ON-SITE ESTATES LIMITED acting by:)

Director

Director/Secretary

THE LENDER

SIGNED by)
and)
jointly as attorneys for)
and in the name of)
CANADA LIFE LIMITED)
under a power of attorney)
dated 22 February 2007)