



Registration of a Charge

Company name: **FAIRFIELD COMPANY SECRETARIES LIMITED**

Company number: **05988785**



X91W8E6R

Received for Electronic Filing: **30/03/2020**

Details of Charge

Date of creation: **10/03/2020**

Charge code: **0598 8785 0001**

Persons entitled: **IAN REID AND KAREN REID**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **TRETHOWANS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5988785

Charge code: 0598 8785 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th March 2020 and created by FAIRFIELD COMPANY SECRETARIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th March 2020 .

Given at Companies House, Cardiff on 31st March 2020

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED

10 / 3 /

2020

(1) CHAMONIX HOLDINGS LIMITED AND OTHERS

(2) IAN REID

and

(2) KAREN REID

COMPOSITE DEBENTURE

SHOOSMITHS

Forum 5
The Forum
Parkway
Whiteley
Fareham
Hampshire
PO15 7PA

Ref. ACT/SWK/M-00884870

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THIS DEED is dated the 10 day of MARCH 2020 and is made

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 (*The Obligors*) (the "**Obligors**"); and
- (2) **IAN REID** and **KAREN REID**, of Hornbeam House, The Brackens, Thundersley, Essex SS7 3FH (each a "**Creditor**" and together the "**Creditors**").

BACKGROUND:

- (A) The Obligors enter into this Deed in connection with the Loan Notes (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

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

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

"**Designated Account**" means:

- (a) the accounts (if any) specified in Schedule 2 (*Specified Assets*); and
- (b) any account from time to time substituted for or additional to any such account (including in each case such account as redesignated and/or renumbered from time to time).

"**Enforcement Event**" has the meaning given to it in Clause 7.1 (*Enforcement Events*).

"**EU Regulation**" means Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast).

"**Finance Document**" means this Deed, the Loan Note Instrument, the Loan Notes and any other document designated as a "Finance Document" by the Creditors and the Obligors' Agent.

"**Intellectual Property Rights**" means:

- (a) all present and future patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, in each case whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets.

"**Investments**" means:

- (a) the shares (if any) specified in Schedule 2 (*Specified Assets*); and
- (b) all other shares, stocks, debentures, bonds or other securities or investments owned by any Obligor or held by any nominee or trustee on its behalf.

"Loan Note Instrument" means the instrument constituting £6,450,000 Variable Rate Guaranteed Secured Loan Notes 2027 dated on or about the date of this Deed and made by Chamonix Holdings Limited (company number 12500321).

"Loan Notes" means each of the loan notes constituted by the Loan Note Instrument.

"LPA 1925" means the Law of Property Act 1925.

"Mortgaged Property" means all freehold or leasehold property included in the definition of Security Asset.

"Obligors' Agent" means Chamonix Holdings Limited a company incorporated in England and Wales (Registered number 12500321) whose registered office is at The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SK9 0RU.

"Party" means a party to this Deed.

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

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Party under each Finance Document together with all interest (including default interest) accruing in respect of those obligations or liabilities.

"Secured Party" means each Creditor or a Receiver.

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

"Security Asset" means all of the assets of any Obligor which from time to time are, or are expressed to be, the subject any Security created by this Deed.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Creditors are satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006 or a subsidiary within the meaning of section 1159 of the Companies Act 2006.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

1.2 Construction

1.2.1 Unless a contrary indication appears, a reference in this Deed to:

- a) any person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under this Deed;
- b) **"assets"** includes present and future properties, revenues and rights of every description;

- c) **"costs"** includes all costs, fees, charges and expenses of any nature and includes any Tax charged on any of them;
- d) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or that other agreement or instrument as amended, novated, supplemented, extended or restated;
- e) any **"rights"** in respect of an asset includes:
 - i all amounts and proceeds paid or payable;
 - ii all rights to make any demand or claim; and
 - iii all powers, remedies, causes of action, security, guarantees and indemnities,
 in each case in respect of or derived from that asset;
- f) any **"share", "stock", "debenture", "bond" or "other security" or "investment"** includes:
 - i any dividend, interest or other distribution paid or payable;
 - ii any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,
 in each case in respect of that share, stock, debenture, bond or other security or investment;
- g) **"disposal"** includes a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and **"dispose"** will be construed accordingly;
- h) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality); and
- i) a provision of law is a reference to that provision as amended or re-enacted.

1.3 Clause and Schedule headings are for ease of reference only.

1.4 Words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders.

1.5 The words **"including"** shall not be construed as limiting the generality of the words preceding it.

1.6 An Enforcement Event is **"continuing"** if it has not been (a) remedied or (b) waived by the Creditors in writing.

1.7 Any covenant of an Obligor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.

- 1.8 The terms of any other agreement or instrument between the Parties are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.9 If a Creditor considers that an amount paid to a Secured Party in connection with this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.10 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.
- 1.11 The obligations of the Obligors under this Deed are joint and several.
- 1.12 **Third party rights**
- 1.12.1 Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Deed.
- 1.12.2 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to the provisions of the Third Parties Act.

2 CREATION OF SECURITY

2.1 General

- 2.1.1 Each Obligor must, on demand, pay to the Creditors or discharge the Secured Liabilities as and when the same are due.
- 2.1.2 All the security created under this Deed is created in favour of the Creditors over present and future assets of the Obligors as security for the payment of all the Secured Liabilities and it is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.2 Real property

- 2.2.1 Subject to Clause 2.2.3, each Obligor charges:
- a) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it; this includes its real property (if any) specified in Schedule 2 (*Specified Assets*); and
 - b) (to the extent that they are not the subject of a mortgage under paragraph a) above) by way of a first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.
- 2.2.2 A reference in this Clause 2 to a mortgage or charge of any freehold or leasehold property includes:
- a) all buildings, fixtures, fittings and fixed plant and machinery on that property;

- b) the benefit of any covenants for title given or entered into by any predecessor in title of any Obligor in respect of that property or any moneys paid or payable in respect of those covenants; and
- c) the benefit of all other contracts, guarantees, appointments and warranties relating to that property.

2.2.3 Any mortgage or fixed charge under Clause 2.2.1 shall exclude rack rent leases (or licences to occupy) of seven years or less.

2.3 Investments

Each Obligor charges by way of a first fixed charge its interest in all its Investments.

2.4 Plant and machinery

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (*Real property*), each Obligor charges by way of a first fixed charge all plant and machinery owned by it and its interest in any plant or machinery in its possession; this includes its plant and machinery (if any) specified in Schedule 2 (*Specified Assets*).

2.5 Credit balances

2.5.1 Each Obligor charges by way of a first fixed charge all of its rights in respect of any Designated Account (including entitlements to interest), any amount standing to the credit of any Designated Account and the debt represented by it.

2.5.2 Each Obligor charges by way of a first fixed charge all of its rights in respect of any account it has with any person other than the accounts referred to in Clause 2.5.1 above (including entitlements to interest), any amount standing to the credit of any such account and the debt represented by it.

2.6 Intellectual Property Rights

Each Obligor charges by way of a first fixed charge all of its Intellectual Property Rights; this includes its rights (if any) specified in Schedule 2 (*Specified Assets*).

2.7 Book debts etc.

Each Obligor charges by way of a first fixed charge:

- 2.7.1 all of its book and other debts;
- 2.7.2 all other moneys due and owing to it; and
- 2.7.3 the benefit of all rights in relation to any item under Clauses 2.7.1 to 2.7.2 above.

2.8 Insurances

2.8.1 Each Obligor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest other than any contract or policy taken out in relation to third party liability, public liability, directors liability, business interruption, loss of earnings or similar claims (together, the "**Insurance Rights**").

- 2.8.2 To the extent that they have not been effectively assigned under Clause 2.8.1 above, each Obligor charges by way of a first fixed charge all of its Insurance Rights.

2.9 Other contracts

- 2.9.1 Subject to Clause 2.9.3, each Obligor:

- a) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
 - i under each of the contracts (if any) specified in Schedule 2 (*Specified Assets*); and
 - ii under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment; and
- b) charges by way of a first fixed charge all of its rights under any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed security created under any other term of this Clause 2.

- 2.9.2 To the extent that they have not been effectively assigned under Clause 2.9.1a) above, each Obligor charges by way of a first fixed charge all of its rights listed under Clause 2.9.1a) above.

- 2.9.3 If any contracts cannot be secured without the consent of the counterparty or satisfaction of other conditions, such contracts shall not be assigned or (as the case may be) charged under this Clause 2.9 until such time as the relevant consent has been obtained or relevant condition has been satisfied.

2.10 Other assets

Each Obligor charges by way of first fixed charge:

- 2.10.1 its goodwill;
- 2.10.2 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- 2.10.3 the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in Clause 2.10.2 above;
- 2.10.4 its uncalled capital; and
- 2.10.5 the benefit of all rights in relation to any item under paragraphs 2.10.1 to 2.10.4 above.

2.11 Floating charge

- 2.11.1 Each Obligor charges by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.
- 2.11.2 Except as provided below, a Creditors may by notice to an Obligor convert the floating charge created by this Clause 2.11 (*Floating charge*) into a fixed charge on an Enforcement Event as regards any of the Obligor's assets specified in that notice.

2.11.3 The floating charge created by this Clause 2.11 (*Floating charge*) may not be converted into a fixed charge solely by reason of the obtaining of a moratorium or anything done with a view to obtaining a moratorium, under section A1 of the Insolvency Act 1986.

2.11.4 The floating charge created by this Clause 2.11 (*Floating charge*) will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of the Obligors' assets (including those subsequently acquired by any Obligor) if:

- a) any steps are taken for any of the Security Assets to become subject to any Security in favour of any other person;
- b) any person levies or attempts to levy any distress, execution or other process or exercises any enforcement power against any of the Security Assets; or
- c) a resolution is passed or an order is made for the winding-up, dissolution or re-organisation of or any steps are taken for the appointment of an administrator in respect of any Obligor.

2.11.5 The floating charge created by this Clause 2.11 (*Floating charge*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3 NEGATIVE PLEDGE AND DISPOSAL RESTRICTION

3.1 Security

Except for the Security created by this Deed and any lien arising by operation of law and in the ordinary course of trading, no Obligor shall create or permit to subsist any Security on any Security Asset.

3.2 Disposals

3.2.1 No Obligor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

3.2.2 Clause 3.2 does not apply to any disposal made in the ordinary course of business of any asset subject to the floating charge created under this Deed or any disposals of credit balances from the accounts referred to in clause 2.5 prior to an Enforcement Event.

4 PERFECTION OF SECURITY

4.1 General

4.1.1 Each Obligor must immediately on reasonable request by the Creditors deposit with the Creditors all deeds and documents necessary to show good and marketable title to any Security Asset.

4.1.2 Each Obligor must immediately on request by the Creditors execute and deliver to the Creditors a notice of any assignment of its rights referred to in Clause 2 (*Creation of security*) in such form as the Creditors may reasonably require.

4.2 Real Property

4.2.1 If any Obligor acquires any freehold or leasehold property in England and Wales after the date of this Deed it must notify the Creditors as soon as reasonably practicable and on reasonable request by the Creditors and at the cost of the Obligors, execute and deliver to the Creditors a legal mortgage over that property in favour of the Creditors in any form which the Creditors may reasonably require if such property is of a significant value.

4.2.2 Each Obligor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:

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

4.2.3 Each Obligor consents to an application being made to the Chief Land Registrar to enter a note on the Register of Title relating to its Mortgaged Property registered at the Land Registry that there is an obligation to make further advances on the security of this Deed.

4.3 Investments

Each Obligor must immediately on the date of this Deed deposit with the Creditors, or as the Creditors may direct, all certificates and other documents of title or evidence of ownership in relation to its Investments and execute and deliver to the Creditors all share transfers and other documents which may be requested by the Creditors in order to enable the Creditors or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments.

5 UNDERTAKINGS

The undertakings in this Clause 5 remain in force throughout the Security Period.

5.1 Information

Each Obligor must:

5.1.1 promptly supply to the Creditors such information as the Creditors may reasonably require about the Security Assets and the Obligor's compliance with the terms of this Deed; and

5.1.2 promptly upon becoming aware of its occurrence, notify the Creditors of any event or circumstance specified in the definition of "Enforcement Event" unless that Obligor is aware that a notification has already been provided by another Obligor.

5.2 Authorisations

Each Obligor must promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under any law or regulation of England and Wales to:

5.2.1 enable it to perform its obligations under this Deed; and

5.2.2 ensure the legality, validity, enforceability or admissibility in evidence of this Deed.

5.3 Property

- 5.3.1 Each Obligor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.
- 5.3.2 No Obligor shall agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.
- 5.3.3 No Obligor shall without the consent of the Creditors (such consent not to be unreasonably withheld or delayed):
- a) grant, or enter into any agreement to grant, any lease or licence or other right of occupation or right to receive rent for all or part of a Mortgaged Property (an **"Occupational Lease"**);
 - b) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Occupational Lease; or
 - c) grant any licence or right to use or occupy any part of a Mortgaged Property.
- 5.3.4 Each Obligor must exercise its right and comply with its obligations under any lease under which the Obligor holds title to all or any part of a Mortgaged Property (a **"Headlease"**) in a proper and timely manner.
- 5.3.5 No Obligor shall agree to any amendment, supplement, waiver, surrender or release of any Headlease.
- 5.3.6 Each Obligor must ensure that all buildings, plant, machinery, fixtures and fittings on each Mortgaged Property are in, and maintained in good and substantial repair and condition and, as appropriate, in good working order.
- 5.3.7 No Obligor shall carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of any Mortgaged Property.

5.4 Credit balances, book debts and receipts

- 5.4.1 Each Obligor must get in and realise its book and other debts and other moneys due and owing to it in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into a Designated Account if required in accordance with paragraph 5.4.2 below) on trust for the Creditors.
- 5.4.2 Each Obligor must, except to the extent that the Creditors otherwise agree, immediately pay all the proceeds of the getting in and realisation into a Designated Account specified by the Creditors. Any such moneys standing to the credit of a Designated Account may be applied by the Creditors in payment of any amount due but unpaid to a Secured Party under this Deed.
- 5.4.3 Each Obligor must, if called to do so by the Creditors, execute a legal assignment of its book debts in such terms as the Creditors may require and give notice of that assignment to the debtors from whom the book debts are due, owing or incurred.

5.5 Intellectual property rights

Each Obligor must preserve and maintain the subsistence and validity of the Intellectual Property Rights necessary for its business.

5.6 Centre of main interests and establishments

No Obligor shall, without the prior written consent of the Creditors, change its centre of main interest (as that expression is used in Article 3(1) of the EU Regulation) to somewhere other than England and Wales, nor will it have any establishment (as that term is used in Article 2(h) of the EU Regulation) in any other jurisdiction.

5.7 Preservation of assets

No Obligor shall do, or permit to be done, any act or thing that would depreciate, jeopardise or otherwise materially prejudice the security held by the Creditors, or materially diminish the value of any of the Security Assets or the effectiveness of the security created by this Deed.

5.8 No alteration of constitutional documents or rights attaching to Investments and preservation of Investments

- 5.8.1 No Obligor shall, without the prior written consent of the Creditors, amend, or agree to the amendment of:

- a) its memorandum or articles of association, or any other constitutional documents; or
- b) the rights or liabilities attaching to, or conferred by, all or any of the Investments,

in a way which could be reasonably expected materially and adversely to affect the ability of the Creditors to enforce any security created by this Deed.

- 5.8.2 No Obligor shall, without the prior written consent of the Creditors:

- a) consolidate or subdivide any of the Investments, or re-organise, exchange, repay or reduce its share capital in a way which could be reasonably expected materially and adversely to affect the interests of the Creditors; or
- b) issue any new shares or stock unless such newly issued shares also become subject to the security created by this Deed.

6 INVESTMENTS

6.1 After any Security created by this Deed has become enforceable:

- 6.1.1 the voting rights, powers and other rights in respect of its Investments may be exercised by the Creditors (in the name of the relevant Obligor and without any further consent or authority on the part of the Obligor); and
- 6.1.2 each Obligor must hold all dividends, distributions or other income paid or payable in relation to any of its Investments on trust for the Creditors and pay the same immediately upon receipt to the Creditors or as they may direct.

7 WHEN SECURITY BECOMES ENFORCEABLE

7.1 Enforcement Events

The Security created by this Deed will become immediately enforceable if any of the events and circumstances set out in this Clause 7.1 (each being an "**Enforcement Event**") occurs and is continuing.

7.1.1 Non-payment

Any of the Secured Liabilities are not paid on their due date at the place at, and in the currency in which they are, expressed to be payable unless such payment is made within 10 Business Days of the due date or unless otherwise agreed thereto by the Parties.

7.1.2 Other obligations

Any Obligor does not comply with any provision of any Finance Document unless failure to comply is capable of remedy and is remedied within 15 Business Days.

7.1.3 Insolvency

- a) An Obligor:
 - i is unable or admits inability to pay its debts as they fall due;
 - ii suspends or threatens to suspend making payments on any of its debts or;
 - iii by reason of actual or anticipated financial difficulties, commences negotiations with its creditors generally (excluding the Creditors in their capacity as such) with a view to rescheduling any of its indebtedness.
- b) A moratorium is declared in respect of any indebtedness of any Obligor. If a moratorium occurs, the ending of the moratorium will not remedy any Enforcement Event caused by that moratorium.

7.1.4 Insolvency proceedings

Any corporate action, legal proceedings or other formal procedure or formal step is taken in relation to:

- a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Obligor;
- b) a composition, compromise, assignment or arrangement with any creditor generally;
- c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Obligor or any of its assets; or
- d) enforcement of any Security over any assets of any Obligor,

or any analogous procedure or step is taken in any jurisdiction (save for any solvent reorganisation or any winding up petition which is discharged, stayed or dismissed within 10 Business Days).

7.1.5 Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Obligor with an aggregate value of at least £100,000.

7.1.6 Repudiation and rescission of agreements

Any Obligor (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate any Finance Document or any Security created by this Deed or evidences an intention to rescind or repudiate any Finance Document or any Security created by this Deed.

7.2 Discretion

After any Security created by this Deed has become enforceable, the Creditors may enforce all or any part of any Security created by this Deed in any manner it sees fit.

7.3 Statutory powers

The power of sale and other powers conferred by section 101 of the LPA 1925, as amended by this Deed, will be immediately exercisable at any time after any Security created by this Deed has become enforceable.

7.4 Power to remedy

If at any time any Obligor does not comply with any of its obligations under this Deed, the Creditors may (but shall not be obliged to) rectify such default and the Obligor irrevocably authorises the Creditors, at the Obligors' expense, to do all such things as are necessary or desirable to rectify such default.

8 ENFORCEMENT OF SECURITY

8.1 General

- 8.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- 8.1.2 Section 103 of the LPA 1925 (restricting the power of sale) and section 93 of the LPA 1925 (restricting the right of consolidation) do not apply to any Security created by this Deed.
- 8.1.3 The statutory powers of leasing conferred on the Creditors are extended so as to authorise the Creditors to lease, make agreements for leases, accept surrenders of leases and grant options as the Creditors may think fit and without the need to comply with any provision of section 99 or section 100 of the LPA 1925.

8.2 No liability as mortgagee in possession

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

8.3 Privileges

The Creditors and each Receiver are entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers duly appointed under the LPA 1925, except that section 103 of the LPA 1925 does not apply.

8.4 Protection of third parties

No person (including a purchaser) dealing with the Creditors or a Receiver or its or his/her agents will be concerned to enquire:

- 8.4.1 whether the Secured Liabilities have become payable;
- 8.4.2 whether any power which the Creditors or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- 8.4.3 whether any money remains due to the Creditors; or
- 8.4.4 how any money paid to the Creditors or to that Receiver is to be applied.

8.5 Redemption of prior mortgages

At any time after any Security created by this Deed has become enforceable, the Creditors may:

- 8.5.1 redeem any prior Security against any Security Asset; and/or
- 8.5.2 procure the transfer of that Security to itself; and/or
- 8.5.3 settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Obligors.

8.6 Financial collateral

- 8.6.1 To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Obligors under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial

Collateral Arrangements (No. 2) Regulations 2003), the Creditors will have the right after any Security created by this Deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

8.6.2 Where any financial collateral is appropriated:

- a) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
- b) in any other case, its value will be such amount as the Creditors reasonably determines having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it,

and the Creditors will give credit for the proportion of the value of the financial collateral appropriated to its use.

9 RECEIVER

9.1 Appointment of Receiver

- 9.1.1 Except as provided below, the Creditors may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if any Security created by this Deed has become enforceable or any Obligor so requests to the Creditors at any time.
- 9.1.2 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA 1925) does not apply to this Deed.
- 9.1.3 The Creditors are not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- 9.1.4 The Creditors may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Creditors are prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.
- 9.1.5 The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Creditors under the Insolvency Act 1986, the LPA 1925 or otherwise.

9.2 Removal

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

9.3 Remuneration

The Creditors may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the LPA 1925 will not apply.

9.4 Agent of the Obligors

9.4.1 A Receiver will be deemed to be the agent of the Obligors for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925. The Obligors themselves are responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

9.4.2 No Secured Party will incur any liability (either to the Obligor or to any other person) by reason of the appointment of a Receiver or for any other reason.

9.5 Relationship with the Creditors

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

10 POWERS OF RECEIVER

10.1 General

10.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 10 in addition to those conferred on it by any law. This includes:

- a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925 and the Insolvency Act 1986.

10.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

10.2 Possession

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

10.3 Carry on business

A Receiver may carry on any business of any Obligor in any manner he/she thinks fit.

10.4 Employees

10.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.

10.4.2 A Receiver may discharge any person appointed by any Obligor.

10.5 Borrow money

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

10.6 Sale of assets

10.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

10.6.2 The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

10.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of any Obligor.

10.7 Leases

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

10.8 Compromise

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

10.9 Legal actions

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

10.10 Receipts

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

10.11 Subsidiaries

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

10.12 Delegation

A Receiver may delegate his/her powers in accordance with this Deed.

10.13 Lending

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

10.14 Protection of assets

A Receiver may:

10.14.1 effect any repair or insurance and do any other act which an Obligor might do in the ordinary conduct of its business to protect or improve any Security Asset;

10.14.2 commence and/or complete any building operation; and

10.14.3 apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

10.15 Exercise of rights

A Receiver may exercise all powers, rights and/or obligations under any contract or agreement forming part of the Security Assets, including, without limitation, all voting and other rights attaching to the Investments.

10.16 Other powers

A Receiver may:

10.16.1 do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;

10.16.2 exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and

10.16.3 use the name of any Obligor for any of the above purposes.

11 APPLICATION OF PROCEEDS

11.1 Order of application

11.1.1 Subject to Clause 11.2 (*Appropriations*), all amounts from time to time received or recovered by the Creditors or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of any Security created by this Deed will be held by the Creditors on trust to apply them at any time as the Creditors (in their discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 11), in the following order of priority:

- a) in discharging any sums owing to any Receiver or any of its delegates;
- b) in discharging all costs and expenses incurred by the Creditors in connection with any realisation or enforcement of any Security created by this Deed taken in accordance with the terms of this Deed;

- c) in discharging the Secured Liabilities in such order as the Creditors may determine;
- d) if no Obligor is under any further actual or contingent liability under any Finance Document, in payment or distribution to any person to whom the Creditors are obliged to pay or distribute in priority to any Obligor; and
- e) the balance, if any, in payment or distribution to the relevant Obligor.

11.1.2 This Clause 11 is subject to the payment of any claims having priority over any Security created by this Deed.

11.2 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, the Creditors (or any trustee or agent on their behalf) may without affecting the liability of any Obligor under this Deed:

- 11.2.1 refrain from applying or enforcing any other monies, Security or rights held or received by the Creditors (or any trustee or agent on their behalf) in respect of those amounts; or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Obligor shall be entitled to the benefit of the same; and
- 11.2.2 hold in a suspense account any moneys received from any Obligor or on account of any Obligor's liability under or in connection with this Deed.

12 INTEREST

- 12.1 If an Obligor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at the rate of 5 per cent. per annum above the published base rate of the Bank of England (and if the base rate shall fall below 0 per cent. then the interest percentage rate shall be 5 per cent. per annum). Any interest accruing under this Clause 12 shall be immediately payable by the Obligors on demand by the Creditors.
- 12.2 Any interest accruing under this Clause 12 will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days. If unpaid, any such interest shall be compounded with the overdue amount on the last Business Day of each month but will remain immediately due and payable.

13 EXPENSES AND INDEMNITIES

- 13.1 Each Obligor must, within three Business Days of demand, pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with the enforcement of, or the preservation of any rights under, this Deed or any Security created by this Deed and with any proceedings instituted by or against any Secured Party as a consequence of it entering into this Deed, taking or holding the Security created by this Deed, or enforcing those rights.
- 13.2 Each Obligor must immediately on demand pay to each Secured Party the amount of all other costs and expenses (including legal fees) incurred by that Secured Party in the creation, registration, perfection, enforcement, discharge and/or assignment of this Deed, including any

arising from any actual or alleged breach by any person of any law or regulation, and keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

14 DELEGATION

- 14.1 The Creditors or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.
- 14.2 Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Creditors or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.
- 14.3 Neither the Creditors nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

15 FURTHER ASSURANCES

- 15.1 Each Obligor must promptly, at its own expense, take whatever action the Creditors or a Receiver may require for creating, perfecting or protecting any security over any Security Asset or facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Creditors or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- 15.2 The action that may be required under paragraph 15.1 above includes:
 - 15.2.1 the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset whether to the Creditors or to its nominees; and
 - 15.2.2 the giving of any notice, order or direction and the making of any filing or registration,which, in any such case, the Creditors may consider necessary or desirable.

16 POWER OF ATTORNEY

Each Obligor, by way of security, irrevocably and severally appoints each Creditor, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the Obligor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of any Obligor under or pursuant to this Deed or generally for enabling the Creditors or any Receiver to exercise the respective powers conferred on them under this Deed or by law. Each Obligor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 16.

17 PRESERVATION OF SECURITY

17.1 Continuing Security

The Security created by this Deed are a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

17.2 Further advances

Any obligation of the Creditors to make further advances to any Obligor is deemed to be incorporated in this Deed.

17.3 Additional security

17.3.1 This Deed is in addition to and is not in any way prejudiced by any other Security now or subsequently held by any Secured Party.

17.3.2 No prior Security held by any Secured Party (in its capacity as such or otherwise) over any Security Assets will merge into the Security created or expressed to be created in favour of the Creditors pursuant to this Deed.

17.4 Waiver of defences

The obligations of each Obligor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it or the Creditors). This includes (without limitation):

17.4.1 any time or waiver granted to, or composition with, any Obligor or other person;

17.4.2 the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;

17.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or Security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

17.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;

17.4.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Security;

17.4.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or

17.4.7 any insolvency or similar proceedings.

17.5 Immediate recourse

Each Obligor waives any rights it may have of first requiring the Creditors (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from that Obligor under this Deed. This waiver applies irrespective of any law or any provision of any document to the contrary.

17.6 Deferral of Obligors' rights

Until the Secured Liabilities and all other amounts which may be or become payable by the Obligors under or in connection with this Deed have been irrevocably paid in full and unless the Creditors otherwise direct, no Obligor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising, under this Deed:

- 17.6.1 to be indemnified by an Obligor;
- 17.6.2 to claim any contribution from any other guarantor of the Secured Liabilities;
- 17.6.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under this Deed or of any other Security taken pursuant to, or in connection with, the Secured Liabilities by the Secured Parties;
- 17.6.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under this Deed or otherwise in relation to the Secured Liabilities;
- 17.6.5 to exercise any right of set-off against any Obligor; and/or
- 17.6.6 to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If an Obligor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable the Secured Liabilities and all other amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with this Deed to be repaid in full on trust for the Creditors and shall promptly pay or transfer the same to the Creditors or as the Creditors may direct for application in accordance with this Deed.

17.7 New accounts

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

18 CHANGES TO THE PARTIES

18.1 Assignment and transfers by the Creditors

18.1.1 At any time, without the consent of the Obligors, the Creditors may assign all or any of their rights and obligations under this Deed to any person to whom any of the Secured Liabilities are assigned or transferred.

18.1.2 The Creditors shall be entitled to disclose such information concerning the Obligors and this Deed as that Creditor considers appropriate to any actual or proposed direct or indirect successor and to any person to whom information may be required to be disclosed by any applicable law or regulation.

18.2 Assignment and transfers by the Obligors

No Obligor may assign any of its rights or transfer any of its rights or obligations under this Deed.

19 MISCELLANEOUS

19.1 No deductions and tax gross-up

19.1.1 All payments to be made by any Obligor under this Deed shall be made in freely available funds and in sterling and shall be calculated and be made without (and free and clear of any deduction for) set-off, counterclaim or deduction on account of Tax.

19.1.2 If a Tax deduction is required by law to be made by any Obligor, the amount of the payment due from the Obligor shall be increased to an amount which (after making any Tax deduction) leaves an amount equal to the payment which would have been due if no Tax deduction had been required.

19.2 Perpetuity period

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of 125 years from the date of this Deed.

19.3 No liability

19.3.1 None of the Creditors, their delegate(s) nominee(s) or any Receiver or its delegate(s) shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Security Assets or (c) taking possession of or realising all or any part of the Security Assets, except in the case of gross negligence or wilful default upon its part.

19.3.2 No Creditor will be required in any manner to perform or fulfil any obligation of any Obligor, make any payment, make any enquiry as to the nature or sufficiency of any payment received by it or present or file any claim or take any action to collect or enforce the payment of any amount.

19.3.3 No Creditor shall be liable either to any Obligor or to any other person by reason of the appointment of a Receiver or delegate or for any other reason.

19.3.4 Neither the Creditors nor the Receiver or any of their respective delegates will be in any way liable or responsible to any Obligor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

19.4 Certificates

Any certification or determination by the Creditors of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

20 RELEASE

At the end of the Security Period, the Creditors must, at the request and cost of the Obligors, take whatever action is necessary to release the Security Assets from any Security created by this Deed.

21 SET-OFF

The Creditors may set-off any matured obligation due from any Obligor under this Deed against any matured obligation owed by the Creditors to the Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Creditors may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

22 OBLIGORS' AGENT

22.1 Each Obligor (other than the Obligors' Agent) by its execution of this Deed irrevocably appoints the Obligors' Agent (acting through one or more authorised signatories) to act on its behalf as its agent in relation to this Deed and irrevocably authorises:

22.1.1 the Obligors' Agent on its behalf to give all notices and instructions, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and

22.1.2 the Creditors to give any notice, demand or other communication to that Obligor pursuant to this Deed to the Obligors' Agent,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

23 NOTICES

23.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, by letter.

23.2 Addresses

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

23.2.1 in the case of the Obligors:

Address: The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU

Attention: The Directors; and

23.2.2 in the case of the Creditors, the address set out on Page 1 of this Deed, or in each case, any substitute address, department or officer as one Party may notify to the other Party by not less than five Business Days' notice.

23.3 Delivery

23.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant address or five Business Days after being deposited in the post (postage prepaid) in an envelope addressed to the relevant person at that address, and, if a particular department or officer is specified as part of its address details provided under Clause 23.2 (*Addresses*), if addressed to that department or officer.

23.3.2 Any communication or document to be made or delivered to the Creditors will be effective only when actually received by the Creditors and then only if it is expressly marked for the attention of the department or officer identified with the Creditors' details provided under Clause 23.2 (*Addresses*) (or any substitute department or officer as the Creditors shall specify for this purpose).

24 PARTIAL INVALIDITY

24.1 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

24.2 If any part of the Security created or expressed to be created in favour of the Creditors pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of Security created or expressed to be created in favour of the Creditors pursuant to this Deed.

25 REMEDIES AND WAIVERS

No failure to exercise, nor delay in exercising, on the part of the Creditors, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Creditors shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise of that right or remedy or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

26 COUNTERPARTS

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

27 GOVERNING LAW

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

28 JURISDICTION

28.1 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 or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").

28.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

28.3 Notwithstanding Clause 28.1 above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been **EXECUTED AS A DEED** by each of the parties to it and is delivered by them on the date specified at the beginning of this Deed.

**SCHEDULE 1
THE OBLIGORS**

Company name	Place of incorporation	Registered number	Registered office address
Chamonix Holdings Limited	England and Wales	12500321	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU
Chamonix Group Limited	England and Wales	05856372	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU
Chamonix Estates Limited	England and Wales	05851267	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU
Chamonix Property Care Limited	England and Wales	11297480	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU
Fairfield Company Secretaries Limited	England and Wales	05988785	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU

**SCHEDULE 2
SPECIFIED ASSETS**

REAL PROPERTY

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INVESTMENTS

Obligor	Description	Issuer
Chamonix Holdings Limited	100 ordinary shares of £1 each	Chamonix Group Limited
Chamonix Group Limited	100 ordinary shares of £1 each	Chamonix Estates Limited
Chamonix Group Limited	100 ordinary shares of £1 each	Chamonix Property Care Limited
Chamonix Group Limited	1 ordinary share of £1	Fairfield Company Secretaries Limited

PLANT AND MACHINERY

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ACCOUNTS

Obligor	Bank and Branch	Account number	Sort code
Chamonix Estates Limited	Barclays Bank plc, Piccadilly Branch	80346543	20-67-83
Chamonix Estates Limited	Barclays Bank plc, Piccadilly Branch	80440981	20-67-83
Fairfield Company Secretaries Limited	Barclays Bank plc, Piccadilly Branch	23132919	20-67-83
Chamonix Group Limited	Barclays Bank plc, Piccadilly Branch	43963020	20-67-83

INTELLECTUAL PROPERTY RIGHTS

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CONTRACTS

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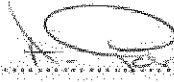
SIGNATORIES

Obligors

EXECUTED as a DEED by

CHAMONIX HOLDINGS LIMITED

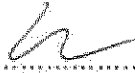
acting by a director in the presence of:

) 
)
) Director
) Print name: A. POVEY

Signature of witness

Print name (in BLOCK CAPITALS):

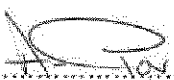
Address:


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Craig Hulbert
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22 KENNETH DRIVE
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BIGgleslade
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SS18 8NR
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EXECUTED as a DEED by

CHAMONIX GROUP LIMITED


acting by a director in the presence of:

) 
)
) Director
) Print name: A. POVEY

Signature of witness

Print name (in BLOCK CAPITALS):

Address:


.....
Craig Hulbert
.....
22 KENNETH DRIVE
.....
BIGgleslade
.....
SS18 8NR
.....
.....

EXECUTED as a DEED by

CHAMONIX ESTATES LIMITED

acting by a director in the presence of:

)

)

)

)

Director

Print name:

[Signature]
.....
[Signature]
.....
A. LOVEY

Signature of witness

Print name (in BLOCK CAPITALS):

Address:

[Signature]
.....
CRAIG HUBERT
.....
22 KENNETH DRIVE
.....
BISSELLADE
.....
SS18 8NR
.....
.....

EXECUTED as a DEED by

CHAMONIX PROPERTY CARE LIMITED

acting by a director in the presence of:

)

)

)

)

Director

Print name:

[Signature]
.....
[Signature]
.....
A. LOVEY

Signature of witness

Print name (in BLOCK CAPITALS):

Address:

[Signature]
.....
CRAIG HUBERT
.....
22 KENNETH DRIVE
.....
BISSELLADE
.....
SS18 8NR
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EXECUTED as a DEED by

FAIRFIELD COMPANY SECRETARIES
LIMITED

acting by a director in the presence of:

)

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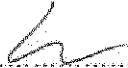
Director

Print name:



Louise Aston

Signature of witness



Print name (in BLOCK CAPITALS):

CRAIG HULBERT

Address:

22 KENNETT DRIVE

BISSELLS WAY

SG18 8NR

Creditors

EXECUTED as a DEED by

IAN REID

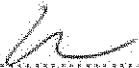
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Signature of witness



Print name (in BLOCK CAPITALS):

CRAIG HULBERT

Address:

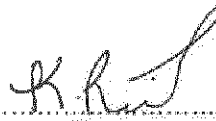
22 KENNETT DRIVE

BISSELLS WAY

SG18 8NR

EXECUTED as a DEED by
KAREN REID

)
)
)



Signature of witness



Print name (in BLOCK CAPITALS):

CRAIG HUBERT

Address:

22 KENNETT DRIVE

BIGgleswade

SG18 8NR

Cory LA to Sign
EXECUTION VERSION

DATED

10/31

2020

(1) CHAMONIX HOLDINGS LIMITED AND OTHERS

(2) IAN REID

and

(2) KAREN REID

COMPOSITE DEBENTURE

SHOOSMITHS

Forum 5
The Forum
Parkway
Whiteley
Fareham
Hampshire
PO15 7PA

Ref. ACT/SWK/M-00884870

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THIS DEED is dated the 10 day of March 2020 and is made

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 (*The Obligors*) (the "**Obligors**"); and
- (2) **IAN REID** and **KAREN REID**, of Hornbeam House, The Brackens, Thundersley, Essex SS7 3FH (each a "**Creditor**" and together the "**Creditors**").

BACKGROUND:

- (A) The Obligors enter into this Deed in connection with the Loan Notes (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

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

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

"**Designated Account**" means:

- (a) the accounts (if any) specified in Schedule 2 (*Specified Assets*); and
- (b) any account from time to time substituted for or additional to any such account (including in each case such account as redesignated and/or renumbered from time to time).

"**Enforcement Event**" has the meaning given to it in Clause 7.1 (*Enforcement Events*).

"**EU Regulation**" means Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast).

"**Finance Document**" means this Deed, the Loan Note Instrument, the Loan Notes and any other document designated as a "Finance Document" by the Creditors and the Obligors' Agent.

"**Intellectual Property Rights**" means:

- (a) all present and future patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, in each case whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets.

"**Investments**" means:

- (a) the shares (if any) specified in Schedule 2 (*Specified Assets*); and
- (b) all other shares, stocks, debentures, bonds or other securities or investments owned by any Obligor or held by any nominee or trustee on its behalf.

"Loan Note Instrument" means the instrument constituting £6,450,000 Variable Rate Guaranteed Secured Loan Notes 2027 dated on or about the date of this Deed and made by Chamonix Holdings Limited (company number 12500321).

"Loan Notes" means each of the loan notes constituted by the Loan Note Instrument.

"LPA 1925" means the Law of Property Act 1925.

"Mortgaged Property" means all freehold or leasehold property included in the definition of Security Asset.

"Obligors' Agent" means Chamonix Holdings Limited a company incorporated in England and Wales (Registered number 12500321) whose registered office is at The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SK9 0RU.

"Party" means a party to this Deed.

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

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Party under each Finance Document together with all interest (including default interest) accruing in respect of those obligations or liabilities.

"Secured Party" means each Creditor or a Receiver.

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

"Security Asset" means all of the assets of any Obligor which from time to time are, or are expressed to be, the subject any Security created by this Deed.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Creditors are satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006 or a subsidiary within the meaning of section 1159 of the Companies Act 2006.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

1.2 Construction

1.2.1 Unless a contrary indication appears, a reference in this Deed to:

- a) any person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under this Deed;
- b) **"assets"** includes present and future properties, revenues and rights of every description;

- c) **"costs"** includes all costs, fees, charges and expenses of any nature and includes any Tax charged on any of them;
- d) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or that other agreement or instrument as amended, novated, supplemented, extended or restated;
- e) any **"rights"** in respect of an asset includes:
 - i all amounts and proceeds paid or payable;
 - ii all rights to make any demand or claim; and
 - iii all powers, remedies, causes of action, security, guarantees and indemnities,
 in each case in respect of or derived from that asset;
- f) any **"share", "stock", "debenture", "bond" or "other security" or "investment"** includes:
 - i any dividend, interest or other distribution paid or payable;
 - ii any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,
 in each case in respect of that share, stock, debenture, bond or other security or investment;
- g) **"disposal"** includes a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and **"dispose"** will be construed accordingly;
- h) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality); and
- i) a provision of law is a reference to that provision as amended or re-enacted.

- 1.3 Clause and Schedule headings are for ease of reference only.
- 1.4 Words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders.
- 1.5 The words **"including"** shall not be construed as limiting the generality of the words preceding it.
- 1.6 An Enforcement Event is **"continuing"** if it has not been (a) remedied or (b) waived by the Creditors in writing.
- 1.7 Any covenant of an Obligor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.

- 1.8 The terms of any other agreement or instrument between the Parties are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.9 If a Creditor considers that an amount paid to a Secured Party in connection with this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.10 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.
- 1.11 The obligations of the Obligors under this Deed are joint and several.
- 1.12 **Third party rights**
- 1.12.1 Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Deed.
- 1.12.2 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to the provisions of the Third Parties Act.

2 CREATION OF SECURITY

2.1 General

- 2.1.1 Each Obligor must, on demand, pay to the Creditors or discharge the Secured Liabilities as and when the same are due.
- 2.1.2 All the security created under this Deed is created in favour of the Creditors over present and future assets of the Obligors as security for the payment of all the Secured Liabilities and it is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.2 Real property

- 2.2.1 Subject to Clause 2.2.3, each Obligor charges:
- a) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it; this includes its real property (if any) specified in Schedule 2 (*Specified Assets*); and
 - b) (to the extent that they are not the subject of a mortgage under paragraph a) above) by way of a first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.
- 2.2.2 A reference in this Clause 2 to a mortgage or charge of any freehold or leasehold property includes:
- a) all buildings, fixtures, fittings and fixed plant and machinery on that property;

- b) the benefit of any covenants for title given or entered into by any predecessor in title of any Obligor in respect of that property or any moneys paid or payable in respect of those covenants; and
- c) the benefit of all other contracts, guarantees, appointments and warranties relating to that property.

2.2.3 Any mortgage or fixed charge under Clause 2.2.1 shall exclude rack rent leases (or licences to occupy) of seven years or less.

2.3 Investments

Each Obligor charges by way of a first fixed charge its interest in all its Investments.

2.4 Plant and machinery

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (*Real property*), each Obligor charges by way of a first fixed charge all plant and machinery owned by it and its interest in any plant or machinery in its possession; this includes its plant and machinery (if any) specified in Schedule 2 (*Specified Assets*).

2.5 Credit balances

2.5.1 Each Obligor charges by way of a first fixed charge all of its rights in respect of any Designated Account (including entitlements to interest), any amount standing to the credit of any Designated Account and the debt represented by it.

2.5.2 Each Obligor charges by way of a first fixed charge all of its rights in respect of any account it has with any person other than the accounts referred to in Clause 2.5.1 above (including entitlements to interest), any amount standing to the credit of any such account and the debt represented by it.

2.6 Intellectual Property Rights

Each Obligor charges by way of a first fixed charge all of its Intellectual Property Rights; this includes its rights (if any) specified in Schedule 2 (*Specified Assets*).

2.7 Book debts etc.

Each Obligor charges by way of a first fixed charge:

- 2.7.1 all of its book and other debts;
- 2.7.2 all other moneys due and owing to it; and
- 2.7.3 the benefit of all rights in relation to any item under Clauses 2.7.1 to 2.7.2 above.

2.8 Insurances

2.8.1 Each Obligor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest other than any contract or policy taken out in relation to third party liability, public liability, directors liability, business interruption, loss of earnings or similar claims (together, the "**Insurance Rights**").

- 2.8.2 To the extent that they have not been effectively assigned under Clause 2.8.1 above, each Obligor charges by way of a first fixed charge all of its Insurance Rights.

2.9 Other contracts

- 2.9.1 Subject to Clause 2.9.3, each Obligor:

- a) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
 - i under each of the contracts (if any) specified in Schedule 2 (*Specified Assets*); and
 - ii under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment; and
- b) charges by way of a first fixed charge all of its rights under any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed security created under any other term of this Clause 2.

- 2.9.2 To the extent that they have not been effectively assigned under Clause 2.9.1a) above, each Obligor charges by way of a first fixed charge all of its rights listed under Clause 2.9.1a) above.

- 2.9.3 If any contracts cannot be secured without the consent of the counterparty or satisfaction of other conditions, such contracts shall not be assigned or (as the case may be) charged under this Clause 2.9 until such time as the relevant consent has been obtained or relevant condition has been satisfied.

2.10 Other assets

Each Obligor charges by way of first fixed charge:

- 2.10.1 its goodwill;
- 2.10.2 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- 2.10.3 the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in Clause 2.10.2 above;
- 2.10.4 its uncalled capital; and
- 2.10.5 the benefit of all rights in relation to any item under paragraphs 2.10.1 to 2.10.4 above.

2.11 Floating charge

- 2.11.1 Each Obligor charges by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.
- 2.11.2 Except as provided below, a Creditors may by notice to an Obligor convert the floating charge created by this Clause 2.11 (*Floating charge*) into a fixed charge on an Enforcement Event as regards any of the Obligor's assets specified in that notice.

2.11.3 The floating charge created by this Clause 2.11 (*Floating charge*) may not be converted into a fixed charge solely by reason of the obtaining of a moratorium or anything done with a view to obtaining a moratorium, under section A1 of the Insolvency Act 1986.

2.11.4 The floating charge created by this Clause 2.11 (*Floating charge*) will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of the Obligors' assets (including those subsequently acquired by any Obligor) if:

- a) any steps are taken for any of the Security Assets to become subject to any Security in favour of any other person;
- b) any person levies or attempts to levy any distress, execution or other process or exercises any enforcement power against any of the Security Assets; or
- c) a resolution is passed or an order is made for the winding-up, dissolution or re-organisation of or any steps are taken for the appointment of an administrator in respect of any Obligor.

2.11.5 The floating charge created by this Clause 2.11 (*Floating charge*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3 NEGATIVE PLEDGE AND DISPOSAL RESTRICTION

3.1 Security

Except for the Security created by this Deed and any lien arising by operation of law and in the ordinary course of trading, no Obligor shall create or permit to subsist any Security on any Security Asset.

3.2 Disposals

3.2.1 No Obligor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

3.2.2 Clause 3.2 does not apply to any disposal made in the ordinary course of business of any asset subject to the floating charge created under this Deed or any disposals of credit balances from the accounts referred to in clause 2.5 prior to an Enforcement Event.

4 PERFECTION OF SECURITY

4.1 General

4.1.1 Each Obligor must immediately on reasonable request by the Creditors deposit with the Creditors all deeds and documents necessary to show good and marketable title to any Security Asset.

4.1.2 Each Obligor must immediately on request by the Creditors execute and deliver to the Creditors a notice of any assignment of its rights referred to in Clause 2 (*Creation of security*) in such form as the Creditors may reasonably require.

4.2 Real Property

4.2.1 If any Obligor acquires any freehold or leasehold property in England and Wales after the date of this Deed it must notify the Creditors as soon as reasonably practicable and on reasonable request by the Creditors and at the cost of the Obligors, execute and deliver to the Creditors a legal mortgage over that property in favour of the Creditors in any form which the Creditors may reasonably require if such property is of a significant value.

4.2.2 Each Obligor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:

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

4.2.3 Each Obligor consents to an application being made to the Chief Land Registrar to enter a note on the Register of Title relating to its Mortgaged Property registered at the Land Registry that there is an obligation to make further advances on the security of this Deed.

4.3 Investments

Each Obligor must immediately on the date of this Deed deposit with the Creditors, or as the Creditors may direct, all certificates and other documents of title or evidence of ownership in relation to its Investments and execute and deliver to the Creditors all share transfers and other documents which may be requested by the Creditors in order to enable the Creditors or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments.

5 UNDERTAKINGS

The undertakings in this Clause 5 remain in force throughout the Security Period.

5.1 Information

Each Obligor must:

5.1.1 promptly supply to the Creditors such information as the Creditors may reasonably require about the Security Assets and the Obligor's compliance with the terms of this Deed; and

5.1.2 promptly upon becoming aware of its occurrence, notify the Creditors of any event or circumstance specified in the definition of "Enforcement Event" unless that Obligor is aware that a notification has already been provided by another Obligor.

5.2 Authorisations

Each Obligor must promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under any law or regulation of England and Wales to:

5.2.1 enable it to perform its obligations under this Deed; and

5.2.2 ensure the legality, validity, enforceability or admissibility in evidence of this Deed.

5.3 Property

- 5.3.1 Each Obligor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.
- 5.3.2 No Obligor shall agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.
- 5.3.3 No Obligor shall without the consent of the Creditors (such consent not to be unreasonably withheld or delayed):
- a) grant, or enter into any agreement to grant, any lease or licence or other right of occupation or right to receive rent for all or part of a Mortgaged Property (an **"Occupational Lease"**);
 - b) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Occupational Lease; or
 - c) grant any licence or right to use or occupy any part of a Mortgaged Property.
- 5.3.4 Each Obligor must exercise its right and comply with its obligations under any lease under which the Obligor holds title to all or any part of a Mortgaged Property (a **"Headlease"**) in a proper and timely manner.
- 5.3.5 No Obligor shall agree to any amendment, supplement, waiver, surrender or release of any Headlease.
- 5.3.6 Each Obligor must ensure that all buildings, plant, machinery, fixtures and fittings on each Mortgaged Property are in, and maintained in good and substantial repair and condition and, as appropriate, in good working order.
- 5.3.7 No Obligor shall carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of any Mortgaged Property.

5.4 Credit balances, book debts and receipts

- 5.4.1 Each Obligor must get in and realise its book and other debts and other moneys due and owing to it in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into a Designated Account if required in accordance with paragraph 5.4.2 below) on trust for the Creditors.
- 5.4.2 Each Obligor must, except to the extent that the Creditors otherwise agree, immediately pay all the proceeds of the getting in and realisation into a Designated Account specified by the Creditors. Any such moneys standing to the credit of a Designated Account may be applied by the Creditors in payment of any amount due but unpaid to a Secured Party under this Deed.
- 5.4.3 Each Obligor must, if called to do so by the Creditors, execute a legal assignment of its book debts in such terms as the Creditors may require and give notice of that assignment to the debtors from whom the book debts are due, owing or incurred.

5.5 Intellectual property rights

Each Obligor must preserve and maintain the subsistence and validity of the Intellectual Property Rights necessary for its business.

5.6 Centre of main interests and establishments

No Obligor shall, without the prior written consent of the Creditors, change its centre of main interest (as that expression is used in Article 3(1) of the EU Regulation) to somewhere other than England and Wales, nor will it have any establishment (as that term is used in Article 2(h) of the EU Regulation) in any other jurisdiction.

5.7 Preservation of assets

No Obligor shall do, or permit to be done, any act or thing that would depreciate, jeopardise or otherwise materially prejudice the security held by the Creditors, or materially diminish the value of any of the Security Assets or the effectiveness of the security created by this Deed.

5.8 No alteration of constitutional documents or rights attaching to Investments and preservation of Investments

- 5.8.1 No Obligor shall, without the prior written consent of the Creditors, amend, or agree to the amendment of:
- a) its memorandum or articles of association, or any other constitutional documents; or
 - b) the rights or liabilities attaching to, or conferred by, all or any of the Investments,
- in a way which could be reasonably expected materially and adversely to affect the ability of the Creditors to enforce any security created by this Deed.
- 5.8.2 No Obligor shall, without the prior written consent of the Creditors:
- a) consolidate or subdivide any of the Investments, or re-organise, exchange, repay or reduce its share capital in a way which could be reasonably expected materially and adversely to affect the interests of the Creditors; or
 - b) issue any new shares or stock unless such newly issued shares also become subject to the security created by this Deed.

6 INVESTMENTS

6.1 After any Security created by this Deed has become enforceable:

- 6.1.1 the voting rights, powers and other rights in respect of its Investments may be exercised by the Creditors (in the name of the relevant Obligor and without any further consent or authority on the part of the Obligor); and
- 6.1.2 each Obligor must hold all dividends, distributions or other income paid or payable in relation to any of its Investments on trust for the Creditors and pay the same immediately upon receipt to the Creditors or as they may direct.

7 WHEN SECURITY BECOMES ENFORCEABLE

7.1 Enforcement Events

The Security created by this Deed will become immediately enforceable if any of the events and circumstances set out in this Clause 7.1 (each being an "**Enforcement Event**") occurs and is continuing.

7.1.1 Non-payment

Any of the Secured Liabilities are not paid on their due date at the place at, and in the currency in which they are, expressed to be payable unless such payment is made within 10 Business Days of the due date or unless otherwise agreed thereto by the Parties.

7.1.2 Other obligations

Any Obligor does not comply with any provision of any Finance Document unless failure to comply is capable of remedy and is remedied within 15 Business Days.

7.1.3 Insolvency

a) An Obligor:

- i is unable or admits inability to pay its debts as they fall due;
- ii suspends or threatens to suspend making payments on any of its debts or;
- iii by reason of actual or anticipated financial difficulties, commences negotiations with its creditors generally (excluding the Creditors in their capacity as such) with a view to rescheduling any of its indebtedness.

b) A moratorium is declared in respect of any indebtedness of any Obligor. If a moratorium occurs, the ending of the moratorium will not remedy any Enforcement Event caused by that moratorium.

7.1.4 Insolvency proceedings

Any corporate action, legal proceedings or other formal procedure or formal step is taken in relation to:

- a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Obligor;
- b) a composition, compromise, assignment or arrangement with any creditor generally;
- c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Obligor or any of its assets; or
- d) enforcement of any Security over any assets of any Obligor,

or any analogous procedure or step is taken in any jurisdiction (save for any solvent reorganisation or any winding up petition which is discharged, stayed or dismissed within 10 Business Days).

7.1.5 Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Obligor with an aggregate value of at least £100,000.

7.1.6 Repudiation and rescission of agreements

Any Obligor (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate any Finance Document or any Security created by this Deed or evidences an intention to rescind or repudiate any Finance Document or any Security created by this Deed.

7.2 Discretion

After any Security created by this Deed has become enforceable, the Creditors may enforce all or any part of any Security created by this Deed in any manner it sees fit.

7.3 Statutory powers

The power of sale and other powers conferred by section 101 of the LPA 1925, as amended by this Deed, will be immediately exercisable at any time after any Security created by this Deed has become enforceable.

7.4 Power to remedy

If at any time any Obligor does not comply with any of its obligations under this Deed, the Creditors may (but shall not be obliged to) rectify such default and the Obligor irrevocably authorises the Creditors, at the Obligors' expense, to do all such things as are necessary or desirable to rectify such default.

8 ENFORCEMENT OF SECURITY

8.1 General

- 8.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- 8.1.2 Section 103 of the LPA 1925 (restricting the power of sale) and section 93 of the LPA 1925 (restricting the right of consolidation) do not apply to any Security created by this Deed.
- 8.1.3 The statutory powers of leasing conferred on the Creditors are extended so as to authorise the Creditors to lease, make agreements for leases, accept surrenders of leases and grant options as the Creditors may think fit and without the need to comply with any provision of section 99 or section 100 of the LPA 1925.

8.2 No liability as mortgagee in possession

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

8.3 Privileges

The Creditors and each Receiver are entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers duly appointed under the LPA 1925, except that section 103 of the LPA 1925 does not apply.

8.4 Protection of third parties

No person (including a purchaser) dealing with the Creditors or a Receiver or its or his/her agents will be concerned to enquire:

- 8.4.1 whether the Secured Liabilities have become payable;
- 8.4.2 whether any power which the Creditors or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- 8.4.3 whether any money remains due to the Creditors; or
- 8.4.4 how any money paid to the Creditors or to that Receiver is to be applied.

8.5 Redemption of prior mortgages

At any time after any Security created by this Deed has become enforceable, the Creditors may:

- 8.5.1 redeem any prior Security against any Security Asset; and/or
- 8.5.2 procure the transfer of that Security to itself; and/or
- 8.5.3 settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Obligors.

8.6 Financial collateral

- 8.6.1 To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Obligors under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial

Collateral Arrangements (No. 2) Regulations 2003), the Creditors will have the right after any Security created by this Deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

8.6.2 Where any financial collateral is appropriated:

- a) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
- b) in any other case, its value will be such amount as the Creditors reasonably determines having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it,

and the Creditors will give credit for the proportion of the value of the financial collateral appropriated to its use.

9 RECEIVER

9.1 Appointment of Receiver

- 9.1.1 Except as provided below, the Creditors may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if any Security created by this Deed has become enforceable or any Obligor so requests to the Creditors at any time.
- 9.1.2 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA 1925) does not apply to this Deed.
- 9.1.3 The Creditors are not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- 9.1.4 The Creditors may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Creditors are prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.
- 9.1.5 The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Creditors under the Insolvency Act 1986, the LPA 1925 or otherwise.

9.2 Removal

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

9.3 Remuneration

The Creditors may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the LPA 1925 will not apply.

9.4 Agent of the Obligors

9.4.1 A Receiver will be deemed to be the agent of the Obligors for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925. The Obligors themselves are responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

9.4.2 No Secured Party will incur any liability (either to the Obligor or to any other person) by reason of the appointment of a Receiver or for any other reason.

9.5 Relationship with the Creditors

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

10 POWERS OF RECEIVER

10.1 General

10.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 10 in addition to those conferred on it by any law. This includes:

- a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925 and the Insolvency Act 1986.

10.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

10.2 Possession

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

10.3 Carry on business

A Receiver may carry on any business of any Obligor in any manner he/she thinks fit.

10.4 Employees

10.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.

10.4.2 A Receiver may discharge any person appointed by any Obligor.

10.5 Borrow money

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

10.6 Sale of assets

10.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

10.6.2 The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

10.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of any Obligor.

10.7 Leases

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

10.8 Compromise

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

10.9 Legal actions

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

10.10 Receipts

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

10.11 Subsidiaries

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

10.12 Delegation

A Receiver may delegate his/her powers in accordance with this Deed.

10.13 Lending

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

10.14 Protection of assets

A Receiver may:

10.14.1 effect any repair or insurance and do any other act which an Obligor might do in the ordinary conduct of its business to protect or improve any Security Asset;

10.14.2 commence and/or complete any building operation; and

10.14.3 apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

10.15 Exercise of rights

A Receiver may exercise all powers, rights and/or obligations under any contract or agreement forming part of the Security Assets, including, without limitation, all voting and other rights attaching to the Investments.

10.16 Other powers

A Receiver may:

10.16.1 do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;

10.16.2 exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and

10.16.3 use the name of any Obligor for any of the above purposes.

11 APPLICATION OF PROCEEDS

11.1 Order of application

11.1.1 Subject to Clause 11.2 (*Appropriations*), all amounts from time to time received or recovered by the Creditors or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of any Security created by this Deed will be held by the Creditors on trust to apply them at any time as the Creditors (in their discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 11), in the following order of priority:

- a) in discharging any sums owing to any Receiver or any of its delegates;
- b) in discharging all costs and expenses incurred by the Creditors in connection with any realisation or enforcement of any Security created by this Deed taken in accordance with the terms of this Deed;

- c) in discharging the Secured Liabilities in such order as the Creditors may determine;
- d) if no Obligor is under any further actual or contingent liability under any Finance Document, in payment or distribution to any person to whom the Creditors are obliged to pay or distribute in priority to any Obligor; and
- e) the balance, if any, in payment or distribution to the relevant Obligor.

11.1.2 This Clause 11 is subject to the payment of any claims having priority over any Security created by this Deed.

11.2 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, the Creditors (or any trustee or agent on their behalf) may without affecting the liability of any Obligor under this Deed:

11.2.1 refrain from applying or enforcing any other monies, Security or rights held or received by the Creditors (or any trustee or agent on their behalf) in respect of those amounts; or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Obligor shall be entitled to the benefit of the same; and

11.2.2 hold in a suspense account any moneys received from any Obligor or on account of any Obligor's liability under or in connection with this Deed.

12 INTEREST

12.1 If an Obligor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at the rate of 5 per cent. per annum above the published base rate of the Bank of England (and if the base rate shall fall below 0 per cent. then the interest percentage rate shall be 5 per cent. per annum). Any interest accruing under this Clause 12 shall be immediately payable by the Obligors on demand by the Creditors.

12.2 Any interest accruing under this Clause 12 will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days. If unpaid, any such interest shall be compounded with the overdue amount on the last Business Day of each month but will remain immediately due and payable.

13 EXPENSES AND INDEMNITIES

13.1 Each Obligor must, within three Business Days of demand, pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with the enforcement of, or the preservation of any rights under, this Deed or any Security created by this Deed and with any proceedings instituted by or against any Secured Party as a consequence of it entering into this Deed, taking or holding the Security created by this Deed, or enforcing those rights.

13.2 Each Obligor must immediately on demand pay to each Secured Party the amount of all other costs and expenses (including legal fees) incurred by that Secured Party in the creation, registration, perfection, enforcement, discharge and/or assignment of this Deed, including any

arising from any actual or alleged breach by any person of any law or regulation, and keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

14 DELEGATION

- 14.1 The Creditors or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.
- 14.2 Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Creditors or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.
- 14.3 Neither the Creditors nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

15 FURTHER ASSURANCES

- 15.1 Each Obligor must promptly, at its own expense, take whatever action the Creditors or a Receiver may require for creating, perfecting or protecting any security over any Security Asset or facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Creditors or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- 15.2 The action that may be required under paragraph 15.1 above includes:
- 15.2.1 the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset whether to the Creditors or to its nominees; and
- 15.2.2 the giving of any notice, order or direction and the making of any filing or registration,
- which, in any such case, the Creditors may consider necessary or desirable.

16 POWER OF ATTORNEY

Each Obligor, by way of security, irrevocably and severally appoints each Creditor, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the Obligor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of any Obligor under or pursuant to this Deed or generally for enabling the Creditors or any Receiver to exercise the respective powers conferred on them under this Deed or by law. Each Obligor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 16.

17 PRESERVATION OF SECURITY

17.1 Continuing Security

The Security created by this Deed are a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

17.2 Further advances

Any obligation of the Creditors to make further advances to any Obligor is deemed to be incorporated in this Deed.

17.3 Additional security

17.3.1 This Deed is in addition to and is not in any way prejudiced by any other Security now or subsequently held by any Secured Party.

17.3.2 No prior Security held by any Secured Party (in its capacity as such or otherwise) over any Security Assets will merge into the Security created or expressed to be created in favour of the Creditors pursuant to this Deed.

17.4 Waiver of defences

The obligations of each Obligor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it or the Creditors). This includes (without limitation):

17.4.1 any time or waiver granted to, or composition with, any Obligor or other person;

17.4.2 the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;

17.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or Security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

17.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;

17.4.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Security;

17.4.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or

17.4.7 any insolvency or similar proceedings.

17.5 Immediate recourse

Each Obligor waives any rights it may have of first requiring the Creditors (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from that Obligor under this Deed. This waiver applies irrespective of any law or any provision of any document to the contrary.

17.6 Deferral of Obligors' rights

Until the Secured Liabilities and all other amounts which may be or become payable by the Obligors under or in connection with this Deed have been irrevocably paid in full and unless the Creditors otherwise direct, no Obligor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising, under this Deed:

- 17.6.1 to be indemnified by an Obligor;
- 17.6.2 to claim any contribution from any other guarantor of the Secured Liabilities;
- 17.6.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under this Deed or of any other Security taken pursuant to, or in connection with, the Secured Liabilities by the Secured Parties;
- 17.6.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under this Deed or otherwise in relation to the Secured Liabilities;
- 17.6.5 to exercise any right of set-off against any Obligor; and/or
- 17.6.6 to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If an Obligor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable the Secured Liabilities and all other amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with this Deed to be repaid in full on trust for the Creditors and shall promptly pay or transfer the same to the Creditors or as the Creditors may direct for application in accordance with this Deed.

17.7 New accounts

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

18 CHANGES TO THE PARTIES

18.1 Assignment and transfers by the Creditors

18.1.1 At any time, without the consent of the Obligors, the Creditors may assign all or any of their rights and obligations under this Deed to any person to whom any of the Secured Liabilities are assigned or transferred.

18.1.2 The Creditors shall be entitled to disclose such information concerning the Obligors and this Deed as that Creditor considers appropriate to any actual or proposed direct or indirect successor and to any person to whom information may be required to be disclosed by any applicable law or regulation.

18.2 Assignment and transfers by the Obligors

No Obligor may assign any of its rights or transfer any of its rights or obligations under this Deed.

19 MISCELLANEOUS

19.1 No deductions and tax gross-up

19.1.1 All payments to be made by any Obligor under this Deed shall be made in freely available funds and in sterling and shall be calculated and be made without (and free and clear of any deduction for) set-off, counterclaim or deduction on account of Tax.

19.1.2 If a Tax deduction is required by law to be made by any Obligor, the amount of the payment due from the Obligor shall be increased to an amount which (after making any Tax deduction) leaves an amount equal to the payment which would have been due if no Tax deduction had been required.

19.2 Perpetuity period

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of 125 years from the date of this Deed.

19.3 No liability

19.3.1 None of the Creditors, their delegate(s) nominee(s) or any Receiver or its delegate(s) shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Security Assets or (c) taking possession of or realising all or any part of the Security Assets, except in the case of gross negligence or wilful default upon its part.

19.3.2 No Creditor will be required in any manner to perform or fulfil any obligation of any Obligor, make any payment, make any enquiry as to the nature or sufficiency of any payment received by it or present or file any claim or take any action to collect or enforce the payment of any amount.

19.3.3 No Creditor shall be liable either to any Obligor or to any other person by reason of the appointment of a Receiver or delegate or for any other reason.

19.3.4 Neither the Creditors nor the Receiver or any of their respective delegates will be in any way liable or responsible to any Obligor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

19.4 Certificates

Any certification or determination by the Creditors of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

20 RELEASE

At the end of the Security Period, the Creditors must, at the request and cost of the Obligors, take whatever action is necessary to release the Security Assets from any Security created by this Deed.

21 SET-OFF

The Creditors may set-off any matured obligation due from any Obligor under this Deed against any matured obligation owed by the Creditors to the Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Creditors may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

22 OBLIGORS' AGENT

22.1 Each Obligor (other than the Obligors' Agent) by its execution of this Deed irrevocably appoints the Obligors' Agent (acting through one or more authorised signatories) to act on its behalf as its agent in relation to this Deed and irrevocably authorises:

22.1.1 the Obligors' Agent on its behalf to give all notices and instructions, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and

22.1.2 the Creditors to give any notice, demand or other communication to that Obligor pursuant to this Deed to the Obligors' Agent,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

23 NOTICES

23.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, by letter.

23.2 Addresses

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

23.2.1 in the case of the Obligors:

Address: The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU

Attention: The Directors; and

- 23.2.2 in the case of the Creditors, the address set out on Page 1 of this Deed, or in each case, any substitute address, department or officer as one Party may notify to the other Party by not less than five Business Days' notice.

23.3 Delivery

- 23.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant address or five Business Days after being deposited in the post (postage prepaid) in an envelope addressed to the relevant person at that address, and, if a particular department or officer is specified as part of its address details provided under Clause 23.2 (*Addresses*), if addressed to that department or officer.

- 23.3.2 Any communication or document to be made or delivered to the Creditors will be effective only when actually received by the Creditors and then only if it is expressly marked for the attention of the department or officer identified with the Creditors' details provided under Clause 23.2 (*Addresses*) (or any substitute department or officer as the Creditors shall specify for this purpose).

24 PARTIAL INVALIDITY

- 24.1 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.
- 24.2 If any part of the Security created or expressed to be created in favour of the Creditors pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of Security created or expressed to be created in favour of the Creditors pursuant to this Deed.

25 REMEDIES AND WAIVERS

No failure to exercise, nor delay in exercising, on the part of the Creditors, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Creditors shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise of that right or remedy or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

26 COUNTERPARTS

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

27 GOVERNING LAW

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

28 JURISDICTION

- 28.1 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 or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

- 28.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 28.3 Notwithstanding Clause 28.1 above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been **EXECUTED AS A DEED** by each of the parties to it and is delivered by them on the date specified at the beginning of this Deed.

**SCHEDULE 1
THE OBLIGORS**

Company name	Place of incorporation	Registered number	Registered office address
Chamonix Holdings Limited	England and Wales	12500321	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU
Chamonix Group Limited	England and Wales	05856372	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU
Chamonix Estates Limited	England and Wales	05851267	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU
Chamonix Property Care Limited	England and Wales	11297480	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU
Fairfield Company Secretaries Limited	England and Wales	05988785	The Maltings, Hyde Hall Farm, Sandon, Hertfordshire, SG9 0RU

**SCHEDULE 2
SPECIFIED ASSETS**

REAL PROPERTY

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INVESTMENTS

Obligor	Description	Issuer
Chamonix Holdings Limited	100 ordinary shares of £1 each	Chamonix Group Limited
Chamonix Group Limited	100 ordinary shares of £1 each	Chamonix Estates Limited
Chamonix Group Limited	100 ordinary shares of £1 each	Chamonix Property Care Limited
Chamonix Group Limited	1 ordinary share of £1	Fairfield Company Secretaries Limited

PLANT AND MACHINERY

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ACCOUNTS

Obligor	Bank and Branch	Account number	Sort code
Chamonix Estates Limited	Barclays Bank plc, Piccadilly Branch	80346543	20-67-83
Chamonix Estates Limited	Barclays Bank plc, Piccadilly Branch	80440981	20-67-83
Fairfield Company Secretaries Limited	Barclays Bank plc, Piccadilly Branch	23132919	20-67-83
Chamonix Group Limited	Barclays Bank plc, Piccadilly Branch	43963020	20-67-83

INTELLECTUAL PROPERTY RIGHTS

Intentionally left blank

CONTRACTS

Intentionally left blank

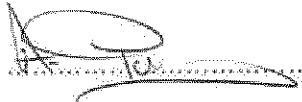
SIGNATORIES

Obligors

EXECUTED as a DEED by

CHAMONIX HOLDINGS LIMITED

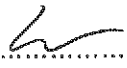
acting by a director in the presence of:

) 
)
) Director
) Print name: A. Rovey

Signature of witness

Print name (in BLOCK CAPITALS):

Address:


.....
CRAG HULBERT
.....
22 KENNETT DRIVE
.....
BIGgleswade
.....
SG18 8NR
.....
.....

EXECUTED as a DEED by

CHAMONIX GROUP LIMITED


acting by a director in the presence of:

) 
)
) Director
) Print name: A. Rovey

Signature of witness

Print name (in BLOCK CAPITALS):

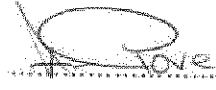
Address:


.....
CRAG HULBERT
.....
22 KENNETT DRIVE
.....
BIGgleswade
.....
SG18 8NR
.....
.....

EXECUTED as a DEED by

CHAMONIX ESTATES LIMITED

acting by a director in the presence of:

) 
) Director
) Print name: A. Govey

Signature of witness


Print name (in BLOCK CAPITALS): CRAIG HULBERT

Address: 22 KENNETT DRIVE
BIGgleswade
SG18 8NR

EXECUTED as a DEED by

CHAMONIX PROPERTY CARE LIMITED

acting by a director in the presence of:

) 
) Director
) Print name: A. Govey

Signature of witness

Print name (in BLOCK CAPITALS): CRAIG HULBERT

Address: 22 KENNETT DRIVE
BIGgleswade
SG18 8NR

EXECUTED as a DEED by

FAIRFIELD COMPANY SECRETARIES
LIMITED

acting by a director in the presence of:

)

)

)

)

Director

Print name:



L. AUSTIN

Signature of witness



Print name (in BLOCK CAPITALS):

CRAIG HULBERT

Address:

22 KENNETT DRIVE

BIGgleswade

SG18 8NR

Creditors

EXECUTED as a DEED by

IAN REID

)

)

)



Signature of witness



Print name (in BLOCK CAPITALS):

CRAIG HULBERT

Address:

22 KENNETT DRIVE

BIGgleswade

SG18 8NR

EXECUTED as a DEED by

KAREN REID

)

)

)

KREID

Signature of witness

h

Print name (in BLOCK CAPITALS):

CRAIG MURPHY

Address:

22 KENNETH DRIVE

BIGGERSIDE

SG18 5NR

