



Registration of a Charge

Company name: **NE INVESTMENTS LIMITED**

Company number: **06329935**

Received for Electronic Filing: **20/12/2017**



Details of Charge

Date of creation: **19/12/2017**

Charge code: **0632 9935 0003**

Persons entitled: **BRIAN GEROGE KENNEDY**

Brief description: **PLEASE SEE THE ATTACHED DOCUEMENT**

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: **ANDREW PAGE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6329935

Charge code: 0632 9935 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th December 2017 and created by NE INVESTMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th December 2017 .

Given at Companies House, Cardiff on 21st December 2017

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 19 December 2017

(1) NE INVESTMENTS LIMITED AND OTHERS

-and-

(2) BRIAN GEORGE KENNEDY

DEBENTURE

relating to a facility agreement dated on or around the date of this debenture
relating to a loan from Brian George Kennedy to NE Investments Limited

I hereby certify this as a true
copy of the original which
I have seen
Andrew Pao
Secretary
19 December 2017

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DATE OF DEED OF DEBENTURE

19 December

2017

PARTIES

- (1) **NE INVESTMENTS LIMITED**, a company registered in England (company number: 06329935) whose registered office is at: Hamilton House, Church Street, Altrincham, England, WA14 4DR (the **"Borrower"**)

and

THE SEVERAL COMPANIES further details of which are set out in Schedule 4 (the **"Guarantors"**)

the Borrower and the Guarantors together being referred to as the **"Chargors"** and each being a **"Chargor"**

- (2) **BRIAN GEORGE KENNEDY** of Swettenham Hall, Swettenham, Congleton, Cheshire, CW12 2JZ (the **"Lender"**)

INTRODUCTION

- (A) Pursuant to the terms of a facility agreement dated on or around the date of this Debenture and made between (1) the Lender and (2) the Borrower, the Lender made available and on demand loan facility agreement to the Borrower (the **"Facility Agreement"**).
- (B) Pursuant to the terms of a deed of guarantee and debenture dated on or around the date of this Debenture and made between (1) the Guarantors and (2) the Lender, the Guarantors guaranteed the obligation of the Borrower to the Lender (the **"Guarantee"**).
- (C) Each of the Chargors have agreed to give certain security to the Lender in respect of their liabilities under the Finance Documents subject to and in accordance with the terms of this Deed.

THIS DEED WITNESSES THAT:

1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Deed the words and expressions set out below shall have the following meanings:

"Administrator" means an administrator appointed to manage the affairs, business and property of a Chargor pursuant to clause 14

"Book Debts" means all present and future book debts and trade debts due or owing to the Chargors (or any of them), and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Chargors (or any of them) in relation to any of them

"Business Day" means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business

"Charged Property" means all the assets, property and undertaking for the time being subject to the Security created by this debenture (and references to the Charged Property shall include references to any part of it)

"Delegate" means any person appointed by the Lender or any Receiver pursuant to clause and any person appointed as attorney of the Lender, Receiver or Delegate

“Enforcement Event” means any of the following events:

- (a) a Chargor is in breach of any of its obligations under this debenture or under the provisions of any Finance Document;
- (b) a Chargor:
 - (i) becomes unable to pay its debts as they fall due (or the value of that Chargor’s assets is less than the amount of its liabilities, taking into account that Chargor’s contingent and prospective liabilities);
 - (ii) commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness; or
 - (iii) makes a general assignment for the benefit of, or a composition with, its creditors;
- (c) a Chargor passes any resolution or takes any corporate action, or a petition is presented or proceedings are commenced, or any action is taken by any person in each instance for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, administrator, liquidator, trustee or similar officer of it or of any or all of its revenues or assets;
- (d) a distress, execution, attachment or other legal process is levied, or enforced on or sued against all or any part of the assets of a Chargor and remains undischarged for seven days;
- (e) any event occurs in relation to a Chargor that is analogous to those set out above; or
- (f) any representation, warranty or statement made or deemed to be made by a Chargor under this debenture or a Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made

“Environment” means the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media

“Environmental Law” means all applicable laws, statutes, regulations, secondary legislation, by-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment

“Equipment” means all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Chargors (or any of them), including any part of it and all spare parts, replacements, modifications and additions together with any associated warranties and maintenance contracts

“Finance Documents” has the meaning given to it in the Facility Agreement

“Insurance Policy” means each contract and policy of insurance effected or maintained by a Chargor from time to time in respect of its assets or business (including, without limitation, any insurances relating to the Properties or the Equipment)

“Intellectual Property” means the Chargors’ (or any of them) present and future patents, trade marks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights

“Investments” means all present and future stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Chargors (or any of them), including all rights accruing or incidental to those investments from time to time

“LPA” means the Law of Property Act 1925

“Properties” means all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Chargors (or any of them), or in which the Chargors (or any of them) hold an interest (including, but not limited to, the properties specified in Schedule 1), and Property means any of them

“Receiver” means a receiver and/or manager of any or all of the Charged Property appointed under this debenture

“Relevant Agreement” means each agreement specified in Schedule 2

“Rights” means any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise

“Secured Liabilities” means all present and future monies, obligations and liabilities owed by the relevant Chargor to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, including, without limitation those arising under or in connection with the Finance Documents or this Deed, together with all interest (including, without limitation, default interest) accruing in respect of those monies or liabilities

“Security” means any mortgage, charge (whether fixed or floating, legal or equitable), 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 Documents” has the meaning given to it in the Facility Agreement

“Security Period” means the period starting on the date of this Deed and ending on the date on which the Lender is 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

1.2 In this debenture unless the context requires otherwise, a reference to:

- (a) a statutory provision includes a reference to:
 - (i) that statutory provision as modified or re-enacted or both from time to time before the date of this debenture; and

- (ii) any subordinate legislation made under that statutory provision before the date of this debenture;
 - (b) persons includes a reference to an individual, firm, body corporate, unincorporated association or partnership;
 - (c) a person includes a reference to that person's legal personal representatives, successors and assigns;
 - (d) a clause or schedule is a reference to a clause of or schedule to this debenture;
 - (e) the singular shall include the plural and vice versa; and
 - (f) this debenture, this Deed (or any specified provision of it) or any other document is a reference to this debenture, that provision or document as from time to time supplemented or amended;
 - (g) an obligation on a party not to do something includes an obligation not to allow that thing to be done; and
 - (h) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.3 References to the **"Properties"** and the **"Charged Property"** include any part of it or them and the **"Properties"** includes:
- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery which are situated on or form part of the Properties at any time;
 - (b) the proceeds of sale of any part of the Properties and any other monies paid or payable in respect of or in connection with the Properties;
 - (c) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of the Properties; and
 - (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Properties or any part of them.
- 1.4 The headings in this debenture shall not affect its interpretation.
- 1.5 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Agreement and of any side letters between any parties in relation to the Facility Agreement are incorporated into this Deed.
- 1.6 If the rule against perpetuities applies to any trust created by this Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).
- 1.7 The Schedules form part of this Deed and shall have effect as if set out in full in the body of this Deed. Any reference to this Deed includes the Schedules.
- 1.8 If the Lender considers that an amount paid by a Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of that Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.9 The liabilities and obligations of the Chargors under or in respect of this Deed are joint and several.

1.10 It is intended that this document takes effect as a deed even though a party may execute it under hand only.

2 COVENANT TO PAY

Each Chargor shall, on demand, pay to the Lender and discharge all Secured Liabilities when they become due.

3 CHARGES

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee:

- (a) charges to the Lender, by way of first legal mortgage, all its Properties;
- (b) charges to the Lender, by way of fixed charge:
 - (i) all its Properties not effectively mortgaged or charged under the preceding provisions of this clause 3;
 - (ii) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to its Properties;
 - (iii) all present and future licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Charged Property, and all rights in connection with them;
 - (iv) all its present and future goodwill and uncalled capital for the time being;
 - (v) all its Equipment;
 - (vi) all its Intellectual Property;
 - (vii) all its Book Debts;
 - (viii) all its Investments;
 - (ix) all monies from time to time standing to the credit of its accounts with any lender, financial institution or other person;
 - (x) all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy, to the extent not effectively assigned under clause 3(c); and
 - (xi) all its rights in respect of each Relevant Agreement and all other agreements, instruments and rights relating to the Charged Property, to the extent not effectively assigned under clause 3(c);
- (c) assigns to the Lender, by way of first fixed mortgage, all its rights in:
 - (i) the Relevant Agreements; and

- (ii) any Insurance Policies or assurance present or future (including, without limitation, any Insurance Policies relating to the Properties or the Equipment);
- (d) charges to the Lender, by way of first floating charge, all its undertaking, property, assets and rights at any time not effectively mortgaged, charged or assigned under the preceding provisions of this clause 3.

4 QUALIFYING FLOATING CHARGE

In respect of each Chargor, paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3(d).

5 FURTHER ASSURANCE

- 5.1 Each Chargor, at its own cost, shall prepare and execute in favour of the Lender, or as the Lender shall direct, such further legal or other assignments, mortgages, securities or charges (containing a power of sale and such other provisions as the Lender may reasonably require) as the Lender, in its absolute discretion, requires from time to time over all or any part of the Charged Property to give effect to the provisions of this Deed.
- 5.2 Each Chargor will at any time if and when required by the Lender give notice to such parties as the Lender may require of any such further legal or other assignments, mortgages, securities or charges and will take such other steps as the Lender may require to perfect any of the same.

6 CRYSTALLISATION OF THE FLOATING CHARGE

- 6.1 The floating charge created by clause 3(d) shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property of a Chargor if:
 - (a) that Chargor creates, or attempts to create, on all or any part of the Charged Property any Security or any trust in favour of another person without the written consent of the Lender;
 - (b) that Chargor disposes, or attempts to dispose of, all or any part of the Charged Property (other than property that is only subject to the floating charge while it remains uncrystallised which property may be disposed of in accordance with clause 7(b) below);
 - (c) a receiver is appointed over all or any of the Charged Property that is subject to the floating charge;
 - (d) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Charged Property; or
 - (e) the Lender receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of that Chargor.
- 6.2 The Lender may, in its sole discretion, at any time and by written notice to the Chargors, convert the floating charge created under this Deed into a fixed charge as regards any part of the Charged Property specified by the Lender in that notice.

- 6.3 Any asset acquired by a Chargor after any crystallisation of the floating charge created under this Deed which, but for such crystallisation, would be subject to a floating charge shall (unless the Lender confirm in writing to the contrary) be charged to the Lender by way of first fixed charge.

7 RESTRICTIONS AND CHARGED PROPERTY

The Chargors shall not at any time, except with the prior written consent of the Lender:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, the Charged Property other than pursuant to this Deed and any other security executed in favour of the Lender pursuant to clause 5; or
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property except, in the case of Charged Property which is only subject to an uncrystallised floating charge, by way of sale at full value in the usual course of business of the Chargors as carried on at the date of this debenture; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

8 REPRESENTATIONS AND WARRANTIES

8.1 Each Chargor makes the following representations and warranties to the Lender:

- (a) the Chargors (as appropriate) are the legal and beneficial owners of the Charged Property;
- (b) the Charged Property is free from any Security other than the Security created by this Deed or as otherwise permitted under the Finance Documents;
- (c) it has not received, or acknowledged notice of, any materially adverse claim by any person in respect of the Charged Property or any interest in them;
- (d) there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Charged Property;
- (e) there is no breach of any law or regulation that materially and adversely affects the Charged Property;
- (f) no facility necessary for the enjoyment and use of the Charged Property is subject to terms entitling any person to terminate or curtail its use;
- (g) nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Property;
- (h) no Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Chargors or otherwise, subject to any matter set out as a qualification or reservation as to matters of law of general application in any legal opinion delivered to the Lender in connection with this Deed;

- (i) there is no prohibition on assignment in any Insurance Policy or Relevant Agreement and the entry into this Deed by the Chargors does not, and will not, constitute a breach of any Insurance Policy, Relevant Agreement or any other agreement or instrument binding on the Chargors or their assets;
- (j) each Chargor has, at all times, complied in all material respects with all applicable Environmental Law;
- (k) this Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Chargors, and is and will continue to be effective Security over all and every part of the Charged Property in accordance with its terms, subject to any matter set out as a qualification or reservation as to matters of law of general application in any legal opinion delivered to the Lender in connection with this Deed;
- (l) the Investments are fully paid and are not subject to any option or purchase or similar rights;
- (m) no constitutional document of an issuer of an Investment, nor any other agreement:
 - (i) restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this Deed; or
 - (ii) contains any rights of pre-emption in relation to the Investments;
- (n) the Borrower has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006; and
- (o) no warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

8.2 The representations and warranties set out in clause 8.1 are made by the Chargors on the date of this Deed and are deemed to be repeated at the same times that the representations in the Facility Agreement are repeated.

9 CHARGORS' COVENANTS

9.1 During the continuance of the Security Period, each Chargor shall:

- (a) not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the Security held by the Lender or materially diminish the value of any of the Charged Property or the effectiveness of the Security created by this Deed;
- (b) take all necessary action to safeguard and maintain the Chargors' present and future rights and interests in or to the Charged Property;
- (c) comply with all laws and regulations for the time being in force relating to or affecting the Charged Property and to obtain and promptly renew from time to time and comply with the terms of all authorisations which may be necessary to enable the Chargors to preserve, maintain or renew the Charged Property;

- (d) keep all Charged Property of an insurable nature comprehensively insured to the Lender's reasonable satisfaction for its full reinstatement cost in the joint names of the relevant Chargor and the Lender or with the interest of the Lender endorsed on the policy or policies and:
 - (i) give notice to the relevant insurers of the assignment of such Chargor's rights and interest in and under such insurance policies pursuant to clause 3, in the form specified in Schedule 3 and procure an acknowledgement of such notice from that counterparty; and
 - (ii) at the Lender's option, apply the proceeds from any Insurance Policy of a Chargor in making good the relevant loss or damage, or to reduce the Secured Liabilities;
- (e) keep the Charged Property in good and substantial repair and condition;
- (f) not call on, or accept payment of, any uncalled capital;
- (g) not, without the prior written consent of the Lender, carry out any development on or make any alterations to the Properties which require planning permission or approval under building regulations, nor pull down or remove the whole or any part of any building forming part of any Property, nor to remove from any Property any fixtures or fixed plant and machinery;
- (h) if required by the Lender, give notice to the relevant counterparties to the Relevant Agreements in respect of the Security created by this Deed, in the form specified in Schedule 3, and procure an acknowledgement of such notice from that counterparty;
- (i) observe and perform all covenants, stipulations and conditions to which each Property, or the use of it, is or may be subjected;
- (j) immediately report to the Lender any notice, order or requirement received from whatever source in relation to any of the Properties;
- (k) not, without the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed), grant, or accept a surrender of, any lease or licence of any of the Properties or consent to any assignment or sub-letting by a tenant; and
- (l) allow the Lender and their agents to enter and inspect the Charged Property at any reasonable time on reasonable notice; and
- (m) if required by the Lender, deposit with the Lender and the Lender shall, for the duration of the Security Period be entitled to hold:
 - (i) all Insurance Policies and any other insurance policies relating to any of the Charged Property that the Chargor is entitled to possess;
 - (ii) all deeds and documents of title (if any) relating to the Book Debts; and
 - (iii) copies of all the Relevant Agreements, certified to be true copies by either a director of the relevant Chargor or by the relevant Chargor's solicitors.

- 9.2 If the Chargors fail to keep any of the Charged Property in good and substantial repair and condition, the Lender shall be entitled (but not obliged) to repair and maintain the same at the Chargors' expense.
- 9.3 If the Chargors fail to keep any of the Charged Property of an insurable nature comprehensively insured to the Lender's reasonable satisfaction for its full reinstatement cost, the Lender shall be entitled (but not obliged) to arrange insurance of the Charged Property at the Chargors' expense.
- 9.4 Any sums expended by the Lender under clauses 9.2 and 9.3 above are repayable by the Chargors to the Lender on demand together with interest as specified in the Facility Agreement from the date of payment by the Lender.
- 9.5 The Lender shall not be responsible to the Chargors or any other person in the event of the Charged Property not being adequately insured. Whenever any insurance is effected through the agency of the Lender all sums paid or payable to the Lender by way of commission or otherwise by the insurers shall belong to the Lender and the Lender shall not be required to account to the Chargors for such sums.

10 BOOK DEBTS

The Chargors shall not deal with their book and other debts, except by collecting them in the ordinary course of its business. In particular, the Chargors will not realise their book and other debts by means of invoice discounting or factoring arrangements.

11 ENFORCEMENT

- 11.1 The Security constituted by this debenture shall be immediately enforceable in the event that:
- (a) the Lender makes demand for payment of any of the Secured Liabilities; or
 - (b) a Chargor or its directors request the Lender to appoint an administrator or receiver to the Chargor or any of the Charged Property; or
 - (c) an Enforcement Event occurs.
- 11.2 Section 103 of the LPA shall not apply to this Deed and the statutory power of sale and other powers given by section 101 of the LPA (as varied or extended by this debenture) shall, as between the Lender and a purchaser, arise on the execution of this debenture and be exercisable at any time after such execution, but the Lender shall not exercise such power of sale until the security constituted by this Deed has become enforceable under clause 11.1.
- 11.3 After the Security constituted by this Deed has become enforceable, the Lender may in its absolute discretion enforce all or any part of that security and take possession of and hold or dispose of all or any part of the Charged Property at the times, in the manner and on the terms it thinks fit.
- 11.4 The statutory powers of sale, leasing and accepting surrenders conferred on the Lender shall be extended so as to authorise the Lender to lease and make arrangements for leases at a premium or otherwise and accept surrenders of leases and grant options as the Lender shall think expedient and without the need to observe any of the provisions of sections 99 and 100 of the LPA.

12 APPOINTMENT OF RECEIVER

12.1 At any time after the Security constituted by this Deed has become enforceable, the Lender may, without further notice, by writing under the hand of any duly authorised officer of the Lender or any person authorised by the Lender or such officer in writing:

- (a) appoint any person or persons to be a Receiver of the Charged Property or any part thereof; and
- (b) to the extent permitted by law, remove any Receiver so appointed and appoint another or others in his or their place.

12.2 When more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Lender specifies to the contrary).

13 POWERS AND CAPACITY OF A RECEIVER

13.1 A Receiver shall have, in addition to the powers conferred on receivers by statute, the following powers which, in the case of joint receivers, may be exercised jointly and severally:

- (a) to enter and/or take possession of, collect and get in, and generally manage any of the Charged Property;
- (b) to take, continue or defer any proceedings in the name of a Chargor or otherwise as may seem expedient;
- (c) to carry on and manage each Chargor's business;
- (d) to raise or borrow any money and secure the payment of any money in priority to the Secured Liabilities as he thinks fit;
- (e) to sell, realise, dispose of or concur in selling, realising or disposing of (but, where necessary, with the leave of the Court) the Charged Property without the restriction imposed by section 103 of the LPA;
- (f) to grant, or accept surrenders of, any leases or tenancies affecting the Properties and to grant any other interest or right over the Charged Property on such terms and subject to such conditions as he thinks fit;
- (g) to make any arrangement or compromise which he shall think expedient;
- (h) to undertake or complete any works of repair, alteration, building or development on the Properties and to apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence to carry out any of the same;
- (i) to make and effect all repairs and renewals of and any improvements to the Equipment and maintain or renew all insurances;
- (j) to appoint managers, agents, officers, consultants, advisers, servants and workmen at such salaries and for such periods as he or they may determine and to purchase or acquire materials, tools, equipment, goods or supplies;

- (k) to insure the Charged Property and any works and effect indemnity insurance or similar insurance and obtain bonds and give indemnities and security to any bondsmen;
 - (l) to sever and sell separately any fixtures or fittings from the Properties without the consent of the Chargor;
 - (m) to carry into effect and complete any transaction by executing deeds or documents in the name of or on behalf of the Chargor;
 - (n) to do all such other acts and things as may from time to time be considered by such Receiver to be incidental or conducive to any of the matters or powers above or otherwise incidental or conducive to the realisation of the Lender's security or the exercise of his functions as Receiver.
- 13.2 All money received by the Lender or a Receiver in the exercise of any enforcement powers conferred by this Deed shall be applied:
- (a) first, in paying all unpaid fees, costs and other liabilities incurred by or on behalf of the Lender (and any Receiver, attorney or agent appointed by them);
 - (b) secondly, in payment of the Receiver's remuneration (as agreed between the Lender and the Receiver);
 - (c) thirdly, in or towards satisfaction of the Secured Liabilities in such order and manner as the Lender determines; and
 - (d) finally, in paying any surplus to the relevant Chargor or any other person entitled to it.
- 13.3 Any Receiver shall at all times and for all purposes be deemed to be the agent or agents of the Chargors and each Chargor shall be solely responsible for his or their acts or defaults and for his or their remuneration. Neither the Lender nor any Receiver shall be liable to the Chargors as mortgagee in possession or otherwise for any loss occurring in the exercise of any of its or his powers pursuant to this Deed.
- 13.4 The Lender may fix the remuneration of any Receiver for his services and for those of his firm appropriate to the work and responsibilities involved without being limited by the maximum rate specified in section 109(6) of the LPA and the remuneration of the Receiver shall be a debt secured by this Deed which shall be due and payable immediately upon its being paid by the Lender.
- 13.5 Only money actually paid by the Receiver to the Lender shall be capable of being applied by the Lender in or towards satisfaction of the Secured Liabilities. The Lender may, in its absolute discretion, at all times prior to the payment in full of all Secured Liabilities, place and keep to the credit of a separate or suspense account any money received by the Lender or a Receiver under this Deed for so long and in such manner as the Lender thinks fit without any obligation to apply the same or any part thereof in or towards the discharge of the Secured Liabilities.
- 13.6 Neither the Lender nor any Receiver shall be bound (whether by virtue of section 109(8) of the LPA, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

13.7 At any time after this Deed shall have become enforceable or after any powers conferred by any Security having priority to this Deed shall have become exercisable, the Lender may redeem such or any other prior Security or procure the transfer thereof to themselves and may settle and pay the accounts of the encumbrancer. Any accounts so settled and paid shall be conclusive and binding on the Chargors and all moneys paid by the Lender to the encumbrancer in accordance with such accounts are to be repayable by the Chargors to the Lender on demand together with interest from the date of payment by the Lender.

13.8 To the extent permitted by law, any right, power or discretion conferred by this Deed on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Lender in relation to the Charged Property whether or not it has taken possession of the Charged Property and without or notwithstanding the appointment of a Receiver.

14 APPOINTMENT OF ADMINISTRATOR

At any time after the Security constituted by this Deed has become enforceable, the Lender may by writing under the hand of any duly authorised officer of the Lender appoint any person or persons to be an administrator of a Chargor pursuant to paragraph 14 of Schedule B1 to the Insolvency Act 1986 and, to the extent permitted by law (and subject to any necessary approval from the court), remove any administrator so appointed and appoint another or others in his or their place.

15 POWER OF ATTORNEY

15.1 Each Chargor irrevocably appoints the Lender and separately any Receiver to be its attorney and, in its name and on its behalf and as its act and deed, to execute any document and do any acts and things which:

- (a) that Chargor is required to execute and do under this Deed; and/or
- (b) any attorney may deem proper or desirable in exercising any of the powers conferred by this Deed or by law on the Lender or Receiver.

15.2 Each Chargor ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise of all or any of their powers.

16 REGISTRATION RESTRICTIONS

The Chargors shall procure that no person shall be registered under the Land Registration Acts 1925 to 2002 as proprietor of any Property without the prior written consent of the Lender. The Chargors shall be liable for the costs of the Lender in lodging notices and/or restrictions against the registration of the title to the whole or any part of any Property from time to time.

17 LIABILITY OF THE CHARGORS AND LENDER'S PROTECTIONS

17.1 The Chargors' liability under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- (a) any intermediate payment, settlement of account or discharge in whole or in part of the Secured Liabilities;

- (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy that the Lender may now or after the date of this Deed have from or against a Chargor or any other person in connection with the Secured Liabilities;
 - (c) any act or omission by the Lender or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against a Chargor or any other person;
 - (d) any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Liabilities including, without limitation, any change in the purpose of, any increase in or extension of the Secured Liabilities and any addition of new Secured Liabilities;
 - (e) any grant of time, indulgence, waiver or concession to a Chargor or any other person;
 - (f) any insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of a Chargor or any other person;
 - (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, a Chargor or any other person in connection with the Secured Liabilities;
 - (h) any claim or enforcement of payment from a Chargor or any other person; or
 - (i) any other act or omission that would not have discharged or affected the liability of a Chargor had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this Deed.
- 17.2 Each Chargor warrants to the Lender that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against any other Chargor, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, that Chargor under this Deed but:
- (a) if any of the Rights is taken, exercised or received by the Chargors, those Rights and all monies at any time received or held in respect of those Rights shall be held by the relevant Chargor on trust for the Lender for application in or towards the discharge of the Secured Liabilities under this Deed; and
 - (b) on demand by the Lender, the relevant Chargor shall promptly transfer, assign or pay to the Lender all Rights and all monies from time to time held on trust by the Chargor under this clause 17.2(b).
- 17.3 Each Chargor waives any right it may have to require the Lender to enforce any Security or other right, or claim any payment from, or otherwise proceed against, any other person before taking steps to enforce any of its rights or remedies under this Deed.
- 18 NOTICES**
- 18.1 Any notice or other communication given under or in connection with this Deed shall be in writing and shall be delivered personally or sent by pre-paid first class post (or airmail if overseas) to the relevant party at its address set out at page 1 of this debenture or such

other address as any party may specify by notice in writing to the others from time to time.

18.2 Any notice or other communication given by the Lender to the Chargors shall be deemed to have been duly received by the Chargors:

- (a) if delivered personally, when left at the address referred to in clause 18.1;
- (b) if sent by first class post, one Business Day after posting it;
- (c) if sent by air mail, five Business Days after posting it, in the absence of evidence of earlier receipt.

18.3 Any notice or other communication given by a Chargor shall be deemed to have been received by the Lender only on actual receipt.

18.4 Any notice given under this Deed shall not be validly served if sent by fax or e-mail.

19 ASSIGNS

19.1 At any time and without the consent of the Chargors, the Lender may assign or otherwise transfer the whole or any part of the Lender's rights and/or obligations under this Deed to any person. The Chargors consent to the disclosure by the Lender of any information and documentation concerning the Chargors to any prospective assignee or transferee.

19.2 The Chargors may not assign any of their rights, or transfer any of their obligations, under this Deed or enter into any transaction which would result in any of those rights or obligations passing to another person.

19.3 The expression **the Lender** shall include the Lender's assigns whether immediate or derivative. Any appointment or removal of a Receiver under clause 12 or any consents hereunder may be made or given by writing signed or sealed by any such assigns and each Chargor hereby irrevocably appoints each of such assigns to be its attorney in the terms and for the purposes in clause 15.

20 ADDITIONAL SECURITY

20.1 This Deed and the Security created by this Deed shall be in addition to, and independent of, every other Security or guarantee which the Lender may now or from time to time hold for any of the Secured Liabilities.

20.2 The restriction on the right of consolidation contained in section 93 of the LPA shall not apply to this Deed or any further security entered into pursuant to this Deed.

21 NON-MERGER

No prior Security held by the Lender over the whole or any part of the Charged Property shall merge in the Security created by this Deed.

22 CONTINUING SECURITY

This Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this Deed in writing.

23 DISCHARGE CONDITIONAL

Any release, discharge or settlement between a Chargor and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

- (a) the Lender or its nominee may retain this Deed and the Security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Property, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and
- (b) the Lender may recover the value or amount of such security or payment from the Chargor subsequently as if the release, discharge or settlement had not occurred.

24 CERTIFICATES

A certificate or determination by the Lender as to any amount for the time being due to it from the Chargors under this Deed and the Facility Agreement shall be, in the absence of any manifest error, conclusive evidence of the amount due.

25 RIGHTS CUMULATIVE

The rights and remedies of the Lender conferred by this Deed are cumulative, may be exercised as often as the Lender considers appropriate, and are in addition to its rights and remedies under the general law.

26 VARIATIONS AND WAIVERS

Any waiver or variation of any right or remedy by the Lender (whether arising under this Deed or under the general law), or any consent given under this Deed, is only be effective if it is in writing and signed by the waiving, varying or consenting party, and applies only in the circumstances for which it was given, and shall not prevent the party giving it from subsequently relying on the relevant provision.

27 SEVERABILITY

Each of the provisions in this Deed shall be severable and distinct from one another and, if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the remaining provisions shall not in any way be affected or impaired.

28 FURTHER EXERCISE OF RIGHTS

No act or course of conduct or negotiation by, or on behalf of, the Lender shall, in any way, preclude the Lender from exercising any right or remedy under this Deed or constitute a suspension or variation of any such right or remedy.

29 DELAY

No delay or failure to exercise any right or remedy under this Deed shall operate as a waiver of that right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Lender shall be effective unless it is in writing.

30 SINGLE OR PARTIAL EXERCISE

No single or partial exercise of any right or remedy under this Deed shall prevent any further or other exercise of that right or remedy, or the exercise of any other right or remedy under this Deed.

31 CONSOLIDATION

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

32 PARTIAL INVALIDITY

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Deed under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

33 COUNTERPARTS

This Deed may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

34 SMALL COMPANY MORATORIUM

Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by a Chargor under schedule A1 to the Insolvency Act 1986 nor the doing of anything by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:

- (a) an event under this Deed which causes any floating charge created by this Deed to crystallise;
- (b) an event under this Deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by the Borrower; or
- (c) a ground under this Deed for the appointment of a Receiver.

35 GENERAL

35.1 A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this debenture.

35.2 The perpetuity period applicable to all trusts declared by this debenture shall be 125 years.

36 GOVERNING LAW AND JURISDICTION

36.1 This Deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) is governed by and shall be construed in accordance with the law of England and Wales.

36.2 For the benefit of the Lender, each Chargor irrevocably submits to the jurisdiction of the English courts and irrevocably agrees that a judgment or ruling in any proceedings in

connection with this Deed in those courts will be conclusive and binding on the Chargors and may be enforced against the Chargors in the courts of any other jurisdiction. Nothing in this clause shall limit the right of the Lender to take proceedings against a Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1

Property

Part 1

Registered property

Description of Property

Title number

[None]

Part 2

Unregistered property

[None]

Schedule 2

Relevant Agreements

NONE

Schedule 3

Notice and acknowledgement of assignment of document

Part 1

Form of notice of assignment

[On the letterhead of the Chargor]

[Details of relevant Counterparty]

[DATE]

Dear Sirs,

Debenture (Assignment) dated [DATE] between [] as chargors and [] Limited as lender

We refer to the [details of the agreement] (the “Contract”).

This letter constitutes notice to you that under the Assignment we have assigned to [] Limited (the “Lender”), by way of security, all our rights, title and interest and benefit in and to the Contract.

We irrevocably instruct and authorise you to:

- 1 Comply with the terms of any written instructions received by you from the Lender relating to the Contract, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
- 2 Hold all sums from time to time due and payable by you to us under the Contract to the order of the Lender.
- 3 Pay, or release, all monies to which we are entitled under the Contract to the Lender, or to such persons as the Lender may direct.
- 4 Disclose information in relation to the Contract to the Lender on request by the Lender.

Neither the Assignment nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the foregoing, you may continue to deal with us in relation to the Contract until you receive written notice to the contrary from the Lender. Thereafter, we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Lender.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Lender at [insert address of Lender].

This notice, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

.....
[Chargor]

Part 2

Form of acknowledgement of assignment

[On the letterhead of the Counterparty]

[Details of relevant Chargor]

[DATE]

Dear Sirs,

Debenture (Assignment) dated [DATE] between [] as chargors and [] Limited as lender

We confirm receipt from [Details of relevant Chargor] (the “**Chargor**”) of a notice (the “**Notice**”) dated [DATE] of an assignment, by way of security, of all the Chargor’s rights under [details of the relevant agreement] (the “**Contract**”).

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

- 1 We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.
- 2 There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.
- 3 We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Lender at least 30 days’ prior written notice.
- 4 We have not, as at the date of this acknowledgement, received notice that the Chargor has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.
- 5 The Lender will not in any circumstances have any liability in relation to the Contract.

The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

This letter, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

.....
[relevant counterparty]

Schedule 4

Chargors

(1) Chargor	(2) Company Number	(3) Address
Everest Intermediate Limited	05949088	Hamilton House, Church Street, Altrincham, England, WA14 4DR
Everest Secondary Limited	05948885	Hamilton House, Church Street, Altrincham, England, WA14 4DR
Glass House Construction Limited	04016573	Hamilton House, Church Street, Altrincham, England, WA14 4DR

Signature page to the debenture between (1) NE Investments Limited and others, as Chargors and (2) Brian George Kennedy, as Lender

Chargors

SIGNED AND DELIVERED as a DEED)
by **NE INVESTMENTS LIMITED** acting)
by one director or the company secretary in)
the presence of the following witness:)

Director/Secretary:

Witness:

Signature:

Name:

Occupation:

Address:

Andrew Price
Director
Huntly House
Warrick Road

SIGNED AND DELIVERED as a DEED)
by **EVEREST INTERMEDIATE**)
LIMITED acting by one director or the)
company secretary in the presence of the)
following witness:)

Director/Secretary:

Witness:

Signature:

Name:

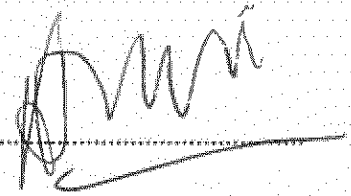
Occupation:

Address:

Andrew Price
Director
Huntly House
Warrick Road

SIGNED AND DELIVERED as a **DEED**)
by **EVEREST SECONDARY LIMITED**)
acting by one director or the company)
secretary in the presence of the following)
witness:)

Director/Secretary:



Witness:

Signature:

Name:

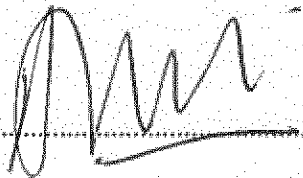
Occupation:

Address:


.....
Andrew Price
.....
Director
.....
Wain K. K. K.
W A K K K

SIGNED AND DELIVERED as a **DEED**)
by **GLASS HOUSE CONSTRUCTION**)
LIMITED acting by one director or the)
company secretary in the presence of the)
following witness:)

Director/Secretary:



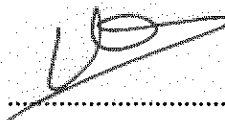
Witness:

Signature:

Name:

Occupation:

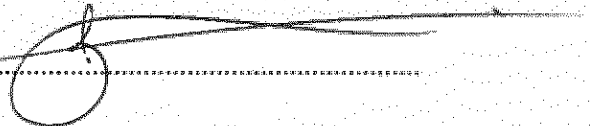
Address:


.....
Andrew Price
.....
Director
.....
Wain K. K. K.
W A K K K

Lender

SIGNED AND DELIVERED as a **DEED**)
by **BRIAN GEORGE KENNEDY** in the)
presence of the following witness:)

Signature:



Witness:

Signature:

Name:

Occupation:

Address:


.....
S. S. S.
.....
Secretary
.....
39 Cornhill Lane
W A K K K