

MR01

Particulars of a charge

101434 HB

Laserform

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Please see 'How to pay' on the  
last page

You can use the WebFiling service to file this form online.  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

✓ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

✗ **What this form is NOT for**  
You may not use this form to  
register a charge where the  
instrument Use form MR02



A09 26/08/2015 #190  
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery



You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

**1 Company details**

Company number 0 6 6 5 3 5 4 9 ✓

Company name in full Credit 4 Cars Ltd ✓

For official use

→ Filing in this form  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date 2 4 0 8 2 0 1 5 ✓

**3 Names of persons, security agents or trustees entitled to the charge**

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name Fidor Bank AG ✓

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge

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4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

All present and future freehold or leasehold land and all Intellectual Property as defined in and pursuant to clauses 3.2 and 3.8 respectively of the accompanying copy instrument

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8

Trustee statement <sup>1</sup>

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

<sup>1</sup> This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *Summers & Summers LLP*  
(ECRL)

*24/08/15*

This form must be signed by a person with an interest in the charge

# MR01

## Particulars of a charge



### Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Emma Lloyd (087270-00001)

Company name Simmons & Simmons LLP

Address CityPoint

One Ropemaker Street

Post town London

County/Region

Postcode E C 2 Y 9 S S

Country United Kingdom

DX DX Box No 12 Chancery Lane London

Telephone 020 7825 3324



### Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy



### Important information

**Please note that all information on this form will appear on the public record.**



### How to pay

**A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.**

Make cheques or postal orders payable to 'Companies House'



### Where to send

**You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.**

#### For companies registered in England and Wales:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

#### For companies registered in Scotland:

The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

#### For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1



### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**



FILE COPY

## CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number. 6653549

Charge code: 0665 3549 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th August 2015 and created by CREDIT 4 CARS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th August 2015

*Dx*

Given at Companies House, Cardiff on 1st September 2015



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

FMBK/087270-00001/PRXM/AQ  
L\_LIVE\_EMEA1 26734518v8

# Security and Guarantee Agreement

between

The Persons listed in Schedule 1  
as Chargers and Guarantors

and

Fidor Bank AG  
as Lender

WE CERTIFY THAT THIS COPY INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.	
..... Signed (firm name)	
..... Initials of Signatory	..... Dated (DD/MM/YY)

**Simmons & Simmons**

Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS United Kingdom  
T +44 20 7628 2020 F +44 20 7628 2070 DX Box No 12

WE REQUEST THAT YOU RETURN THIS COPY TO THE OFFICE OF THE ATTORNEY GENERAL	
.....	
(continued)	
.....	.....
DATE: 10/10/80	NAME: J. Edgar Hoover

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**THIS DEED** is dated

24 August 2015

and made

**BETWEEN:**

- (1) **THE PERSONS** listed in Schedule 1 (*The Chargors and the Guarantors*), as chargors (the "Chargors") and the guarantors (the "Guarantors"), and
- (2) **FIDOR BANK AG**, a company incorporated in Germany whose registered office is at Sandstraße 33, 80335 München, Germany (the "Lender")

**BACKGROUND:**

- (A) Each Chargor is entering into this Deed to provide security to the Lender for all its present and future obligations and liabilities to the Lender
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand

**IT IS AGREED** as follows

**1 Interpretation**

**1.1 Definitions**

In this Deed

"Accounting Principles" means generally accepted accounting principles in England, including IFRS.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company

"Agreements" means together the Tranche 1 Agreements and the Tranche 2 Agreements

"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 and Munich

"Change of Control" means the Parent ceasing to be majority owned and controlled by the persons or group of persons owning and controlling the Parent as at the date of this Deed

"Charged Property" means all of the assets of a Chargor which from time to time are, or are expressed to be, subject to the Transaction Security

"Delegate" means any delegate or sub delegate appointed under clause 22 (*Delegation*)

"Enforcement Event" means any event or circumstance specified as such in clause 16 (*Enforcement Events*)

"Finance Document" means this Deed, any Supplemental Mortgage, the Loan Agreement Letter, the Agreements, the Related Security Documents, any other document under

which a Chargor owes an obligation to the Lender and any other document designated as such by the Lender and the Chargor.

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

- (A) moneys borrowed,
- (B) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent,
- (C) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument,
- (D) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease,
- (E) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis),
- (F) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing,
- (G) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account),
- (H) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution, and
- (I) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (A) to (H) above

"Group" means the Parent and its Subsidiaries for the time being

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary

"IFRS" means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements

"Intellectual Property" means

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

"Investments" means any securities and investments of any kind (including shares, stock, debentures, units, depositary receipts, bonds, notes, commercial paper and certificates of

deposit), warrants, options or other rights to subscribe for, purchase or otherwise acquire securities and investments now or in the future owned by a Chargor or (to the extent of its interest) in which it now or in the future has any interest

"Loan Agreement Letter" means the letter dated on or around the date of this Deed between the Lender and the Chargors

"LPA" means the Law of Property Act 1925

"Material Adverse Effect" means in the reasonable opinion of the Lender a material adverse effect on or material adverse change in

- (A) the business, operations, property, condition (financial or otherwise) or prospects of the Parent or the Group taken as a whole,
- (B) the ability of any Chargor to perform and comply with its obligations under the Finance Documents,
- (C) the validity, legality or enforceability of any Finance Document or the rights and remedies of the Lender under any Finance Document, or
- (D) the validity, legality or enforceability of, or the effectiveness or ranking of any Transaction Security or the rights and remedies of the Lender under or in respect of any Transaction Security

"Mortgaged Property" means any freehold or leasehold property included in the definition of Charged Property

"Original Financial Statements" means, in relation to a Chargor, the audited consolidated financial statements of that Chargor (consolidated as appropriate) for the financial year ended 2014

"Parent" means One Stop Car Credit Limited

"Party" means a party to this Deed

"Receiver" means a receiver, receiver or manager or administrative receiver of the whole or any part of the Charged Property

"Related Security" has the meaning given in the Agreements

"Related Security Documents" means any and all documents creating Security in favour of the Lender in respect of the Related Security and the Agreements

"Secured Liabilities" means all present and future moneys, debts, liabilities and obligations due, owing or incurred by a Chargor to the Secured Parties on any account whatsoever (in each case whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise)

"Secured Party" means the Lender, a Receiver or any Delegate

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

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Lender is satisfied that all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated

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

"Supplemental Mortgage" means a document substantially in the form of Schedule 7 (*Form of Supplemental Mortgage*)

"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)

"Tranche 1 Agreements" each of the Framework Agreement dated 25 January 2013 (the "Framework Agreement 1") attached to which are a Receivables Purchase Agreement ("Receivables Purchase Agreement 1") and a Servicing Agreement ("Servicing Agreement 1")

"Tranche 2 Agreements" each of the Framework Agreement dated 23 January 2015 (the "Framework Agreement 2") attached to which are a Receivables Purchase Agreement ("Receivables Purchase Agreement 2") and a Servicing Agreement ("Servicing Agreement 2")

"Transaction Security" means the Security created or expressed to be created in favour of Lender pursuant to this Deed or a Supplemental Mortgage

"VAT" means

- (A) any tax imposed in compliance with Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112), and
- (B) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referenced in paragraph (A) above, or imposed elsewhere

## 1.2 Construction

- (A) Unless a contrary indication appears, a reference in this Deed to
  - (1) any "Party" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees,
  - (2) "assets" includes present and future properties, revenues and rights of every description,
  - (3) a "Finance Document" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility under that Finance Document or other agreement or instrument,

- (4) "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent,
  - (5) a "person" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality),
  - (6) a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,
  - (7) a provision of law is a reference to that provision as amended or re-enacted,
  - (8) a time of day is a reference to London time, and
  - (9) "Charged Property" includes any part of that Charged Property and the proceeds of that Charged Property
- (B) Clause and Schedule headings are for ease of reference only
- (C) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Deed
- (D) Each of the undertakings given by a Chargor in this Deed remain in force from the date of this Deed until the end of the Security Period
- (E) Each representation and warranty expressed to be made by a Chargor in this Deed is made by a Chargor on the date of this Deed and is deemed to be repeated on each day during the Security Period by reference to the facts and circumstances then existing

### 1 3 **Disposition of property**

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

### 1 4 **Third party rights**

- (A) A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed
- (B) Any Receiver or Delegate may subject to this clause 1 4 and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it

## 2 **Covenant to pay**

Each Chargor pay each of the Secured Liabilities when due or if they do not specify a time, on demand

### 3. **Creation of Security**

#### 3 1 **Security generally**

All the Transaction Security

- (A) is created in favour of the Lender,
- (B) is created over the present and future assets of each Chargor,
- (C) is security for the payment of all the Secured Liabilities, and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

#### 3 2 **Land**

- (A) Each Chargor charges
  - (1) by way of a first legal mortgage all estates or interests in any freehold property now owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use that property, including the freehold property (if any) specified in Schedule 2 (*Mortgaged Property*), and
  - (2) (to the extent that they are not the subject of a legal mortgage under clause 3 2(A)(1)) by way of first fixed charge all estates or interests in any freehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use that property
- (B) A reference in this Deed to a mortgage or charge of any freehold or leasehold property includes
  - (1) each and every part of that property, including the buildings, structures, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or in the future on that property and all easements and rights attaching to it, and
  - (2) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property or any moneys paid or payable in respect of those covenants

#### 3 3 **Investments**

- (A) Each Chargor charges by way of a first fixed charge all of its rights and interests in its Investments (including any specified in Schedule 3 (*Investments*))
- (B) A reference in this Deed to any mortgage or charge of any Investments includes
  - (1) any dividend or interest paid or payable in relation to it,
  - (2) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

- (3) any right against any clearance system in relation to it, and
- (4) any right under any custodian or other agreement in relation to it

### **3 4 Contracts**

- (A) Each Chargor assigns absolutely to the Lender all of its rights and interests
  - (1) under any contracts specified in Schedule 3 (*Investments*),
  - (2) under the Related Security (as defined in the Agreements) and all other contracts which are connected to or the subject of the Agreements, and
  - (3) under any other agreement to which it is a party except to the extent that it is subject to any final security created under the terms of this clause 3
- (B) To the extent that any such right described in clause 3.4(A) is not capable of assignment, the assignment of that right purported to be effected by clause 3 4(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this clause or are not effectively assigned under clauses 3 4(A) and 3 4(B), each Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party
- (D) If a Chargor assigns an agreement or document under this Deed (or charges it by way of a first fixed and/or floating charge) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained
  - (1) that Chargor must notify the Lender immediately,
  - (2) unless the Lender otherwise requires, that Chargor shall, and each other Chargor must ensure that the Chargor will, use all reasonable endeavours to obtain the consent as soon as practicable, and
  - (3) that Chargor must promptly supply to the Lender a copy of the consent obtained by it

### **3 5 Bank accounts**

Each Chargor charges by way of floating charge all of its rights in respect of any amount standing to the credit of any account (including but not limited to, any account contemplated by this Deed) it has in its name (or to which it is beneficially entitled) with any person and the debt represented by such account

### **3 6 Book debts etc.**

Each Chargor charges by way of a first fixed charge

- (A) all of its book and other debts,
- (B) all other moneys due and owing to it, and

- (C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under clause 3 6(A) and clause 3 6(B)

### **3 7 Insurances**

- (A) Each Chargor assigns absolutely to the Lender
  - (1) all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest, and
  - (2) all monies payable and all monies paid to it under or in respect of all such contracts and policies of insurance
- (B) To the extent that any such right described in clause 3 7(A) is not capable of assignment, the assignment of that right purported to be effected by clause 3 7(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right
- (C) To the extent that they do not fall within any other part of this clause or are not effectively assigned under clause 3 7(A) or 3 7(B), each Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party

### **3 8 Intellectual Property**

Each Chargor charges by way of first fixed charge all its Intellectual Property

### **3 9 Authorisations**

Each Chargor charges by way of first fixed charge the benefit of all Authorisations held by it in relation to any Charged Property, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation

### **3 10 Pension fund**

Each Chargor charges by way of first fixed charge any beneficial interest, claim or entitlement it has in any pension fund

### **3 11 Goodwill**

Each Chargor charges by way of first fixed charge its goodwill

### **3 12 Uncalled capital**

Each Chargor charges by way of first fixed charge its uncalled capital

### **3 13 Floating charge**

- (A) Each Chargor charges by way of first floating charge its undertaking and assets, including for the avoidance of doubt all leasehold property, both present and future not otherwise effectively mortgaged or charged under this Deed



- (B) The floating charge created by each Chargor pursuant to clause 3.13(A) is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Lender may appoint an administrator to a Chargor pursuant to that paragraph
- (D) The Lender may convert the floating charge created by this Deed over all or any of the Charged Property into a fixed charge by notice to the relevant Chargor specifying the relevant Charged Property (either specifically or generally)
- (1) while an Enforcement Event is continuing, and/or
- (2) if the Lender considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process
- (E) If
- (1) a Chargor takes any step to create any Security in breach of clause 6.1 (*Security*) over any of the Charged Property not subject to a mortgage or fixed charge,
- (2) an administrator is appointed or the Lender receives notice of an intention to appoint an administrator in respect of a Chargor, or
- (3) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Charged Property,
- the floating charge over the relevant Charged Property shall automatically and immediately be converted into a fixed charge subject, in the case of leasehold property, to the provisions of clause 7.2(B)

#### **4 Continuing Security**

##### **4.1 Continuing Security**

The Transaction Security is 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

##### **4.2 Additional security**

The Transaction Security

- (A) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by the Lender, and
- (B) may be enforced against a Chargor without having recourse to any other rights of the Lender

#### **5 Further assurance**

- (A) Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as

the Lender may reasonably specify (and in such form as the Lender may reasonably require in favour of the Lender or its nominee(s))

- (1) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of Transaction Security) or for the exercise of any rights, powers and remedies of the Lender provided by or pursuant to the Finance Documents or by law,
  - (2) to confer on the Lender Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed, and/or
  - (3) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security
- (B) Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Lender by or pursuant to this Deed or any Supplemental Mortgage

## **6 Restrictions on dealing**

### **6.1 Security**

No Chargor shall create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by clause 15.3 (*Negative pledge*) except as permitted by that clause

### **6.2 Disposals**

No Chargor shall (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Charged Property except as permitted by the Lender in writing

## **7 Land**

### **7.1 The Land Registry**

In the case of a Chargor's existing freehold property, that Chargor shall

- (A) promptly and in any event within any applicable priority period, apply to the Land Registry to register the Security created or expressed to be created by this Deed,
- (B) promptly submit to the Land Registry the duly completed form RX1 requesting a restriction in the form specified by the Lender to be entered on the register of title to that freehold property in respect of the Security created or expressed to be created by this Deed,
- (C) promptly submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Charged Property, and

- (D) promptly pay all appropriate registration fees

## **7 2 Acquisitions**

- (A) If a Chargor acquires any freehold property after the date of this Deed it shall

- (1) notify the Lender immediately,
- (2) immediately on request by the Lender and at the cost of the relevant Chargor, execute and deliver to the Lender a legal mortgage in favour of the Lender of that freehold property in any form which the Lender may require a Supplemental Mortgage of that freehold property together with such constitutional documents, corporate authorisations and other matters as the Lender may require to verify that such document constitutes that Chargor's legal, valid, binding and enforceable obligations,
- (3) if title to that freehold property is registered at the Land Registry or is required to be so registered, promptly and in any event within any applicable priority period, apply to the Land Registry
  - (a) for first registration of that freehold property (where that freehold property is not already registered at the Land Registry) and registration of that Chargor as the registered proprietor of that freehold property,
  - (b) to register the Security created or expressed to be created by this Deed or any document entered into pursuant to clause 7 2(A)(2),
  - (c) submit to the Land Registry a duly completed form RX1 requesting a restriction in the form specified by the Lender to be entered on the register of title for that freehold property,
  - (d) promptly submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Charged Property, and
- (e) promptly pay all appropriate registration fees

- (B) In the event that a floating charge over leasehold property is to be converted into a fixed charge pursuant to the terms of this Deed then if the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over it, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. The relevant Chargor must use its reasonable endeavours to obtain the landlord's consent

## **7 3 Deposit of title deeds**

Each Chargor shall deposit with the Lender all deeds and documents of title relating to any Mortgaged Property and all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of that Chargor

## **7 4 Investigation of title**

Each Chargor shall grant the Lender or its lawyers on request all facilities within its power to enable the Lender or its lawyers (at the expense of the relevant Chargor) to

- 
- (A) carry out investigations of title to any Mortgaged Property, and
  - (B) make such enquiries in relation to any part of any Mortgaged Property as a prudent mortgagee might carry out

#### **7 5 Title Information Document**

On completion of the registration of any Security in respect of its Mortgaged Property, Each Chargor shall promptly supply to the Lender a certified copy of the Title Information Document issued by the Land Registry

#### **7 6 Power to remedy**

Each Chargor shall permit the Lender and/or any of its representatives, agents or contractors, when the Lender believes that a Default has occurred or might reasonably be expected to occur, to enter any Mortgaged Property and to take any steps which it believes necessary in relation to that Mortgaged Property. Each Chargor shall immediately on demand by the Lender pay the costs and expenses of the Lender, its representatives, agents or contractors incurred in connection with any action taken under this clause

#### **7 7 Notice of charge or assignment**

- (A) Each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each tenant of any Mortgaged Property
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in clause 7 7(A) acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed

#### **7 8 Undertakings relating to Mortgaged Property**

##### **(A) Title**

- (1) Each Chargor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Mortgaged Property
- (2) No Chargor shall agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Mortgaged Property
- (3) Each Chargor must promptly take all such steps as may be necessary or desirable to enable the Transaction Security to be registered, where appropriate, at the applicable Land Registry

##### **(B) Occupational Leases**

- (1) No Chargor shall without the consent of the Lender
  - (a) enter into any Agreement for Lease,
  - (b) other than under an Agreement for Lease, grant or agree to grant any new Occupational Lease,

- (c) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Lease Document,
  - (d) exercise any right to break, determine or extend any Lease Document,
  - (e) commence any forfeiture or insolvency proceedings in respect of any Lease Document,
  - (f) grant any licence or right to use or occupy any part of a Mortgaged Property,
  - (g) consent to any sublease or assignment of any tenant's interest under any Lease Document,
  - (h) agree to any change of use under, or (except where required to do so under the terms of the relevant Lease Document) rent review in respect of, any Lease Document, or
  - (i) serve any notice on any former tenant under any Lease Document (or on any guarantor of that former tenant) which would entitle it to a new lease or tenancy
- (2) Each Chargor must
- (a) diligently collect or procure to be collected all Rental Income,
  - (b) exercise its rights and comply with its obligations under each Lease Document, and
  - (c) use its reasonable endeavours to ensure that each tenant complies with its obligations under each Lease Document,
- in a proper and timely manner
- (3) Any premium or other amount paid to a Chargor in respect of any agreement to amend, supplement, extend, waive, surrender or release a Lease Document must be paid into such account as may be specified by the Lender from time to time for such purpose
- (4) Each Chargor must supply to the Lender each Lease Document, each amendment, supplement or extension to a Lease Document and each document recording any rent review in respect of a Lease Document promptly upon entering into the same
- (5) Each Chargor must use their reasonable endeavours to find tenants for any vacant lettable space in the Mortgaged Properties with a view to granting a Lease Document with respect to that space
- (6) No Chargor shall grant or agree to grant any Lease Document without including in the alienation covenant a provision for the proposed assignor on any assignment to guarantee the obligations of the proposed assignee until that assignee is released as tenant under the terms of the Landlord and Tenant (Covenants) Act 1995

**(C) Headleases**

**(1) Each Chargor must**

- (a) exercise its rights and comply with its obligations under each Headlease,
- (b) use its reasonable endeavours to ensure that each landlord complies with its obligations under each Headlease, and
- (c) if so required by the Lender, apply for relief against forfeiture of any Headlease,

in a proper and timely manner

**(2) No Chargor shall**

- (a) agree to any amendment, supplement, waiver, surrender or release of any Headlease,
- (b) exercise any right to break, determine or extend any Headlease,
- (c) agree to any rent review in respect of any Headlease, or
- (d) do or allow to be done any act as a result of which any Headlease may become liable to forfeiture or otherwise be terminated

**(D) Maintenance**

Each Chargor must ensure that all buildings, plant, machinery, fixtures and fittings on its Mortgaged Property are maintained in good and substantial repair and condition and, as appropriate, in good working order

**(E) Development**

**(1) No Chargor shall**

- (a) make or allow to be made any application for planning permission in respect of any part of its Mortgaged Property, or
- (b) 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 its Mortgaged Property

**(2) Clause 7 8(E)(1) shall not apply to**

- (a) the maintenance of the buildings, plant, machinery, fixtures and fittings in accordance with the Transaction Documents, or
- (b) the carrying out of non-structural improvements or alterations which affect only the interior of any building on a Mortgaged Property

**(3) Each Chargor must comply in all respects with all planning laws, permissions, agreements and conditions to which its Mortgaged Property may be subject**

**(F) Notices**

Each Chargor must, within 14 days after the receipt by the Chargor of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to its Mortgaged Property (or any part of it)

- (1) deliver a copy to the Lender, and
- (2) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice

**(G) Investigation of title**

Each Chargor must grant the Lender or its lawyers on request all facilities within the power of the Chargor to enable the Lender or its lawyers to

- (1) carry out investigations of title to any Mortgaged Property, and
- (2) make such enquiries in relation to any part of any Mortgaged Property as a prudent mortgagee might carry out

**(H) Power to remedy**

- (1) If a Chargor fails to perform any obligations under the Finance Documents affecting its Mortgaged Property, the Chargor must allow the Lender or its agents and contractors
  - (a) to enter any part of its Mortgaged Property,
  - (b) to comply with or object to any notice served on the Chargor in respect of its Mortgaged Property, and
  - (c) to take any action that the Lender may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice
- (2) a Chargor must immediately on request by the Lender pay the costs and expenses of the Lender or its agents and contractors incurred in connection with any action taken by it under this Clause
- (3) The Lender shall not be obliged to account as mortgagee in possession as a result of any action taken under this Clause

**(I) Insurances**

- (1) Each Chargor must ensure that at all times from the date of this Deed Insurances are maintained in full force and effect, which
  - (a) insure each Chargor in respect of its interests in each Mortgaged Property and the plant and machinery on each Mortgaged Property (including fixtures and improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs) and to

- (i) provide cover against loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage,
- (ii) provide cover for site clearance, shoring or propping up, professional fees and value added tax together with adequate allowance for inflation,
- (iii) provide cover against acts of terrorism, including any third party liability arising from such acts,
- (iv) provide cover for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance, and
- (b) include Mortgaged Property owners' public liability and third party liability insurance,
- (c) insure such other risks as a prudent company in the same business as the Chargor would insure, and
- (d) in each case are in an amount, and in form, and with an insurance company or underwriters, acceptable at all times to the Lender
- (2) Each Chargor must procure that the Lender is named as co-insured under each of the Insurances (other than public liability and third party liability insurances) but without liability on the part of the Lender for any premium in relation to those Insurances
- (3) Each Chargor must procure that the Insurances comply with the following requirements
  - (a) each of the Insurances must contain
    - (i) a non-invalidating and non-voiding clause under which the Insurances will not be vitiated or avoided as against any insured party as a result of any circumstances beyond the control of that insured party or any misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any insured party or any agent of any insured party,
    - (ii) a waiver of the rights of subrogation of the insurer as against each Chargor and the tenants of each Mortgaged Property, and
    - (iii) a loss payee clause in such terms as the Lender may reasonably require in respect of insurance claim payments otherwise payable to a Chargor,
  - (b) the insurers must give at least 30 days' notice to the Lender if any insurer proposes to repudiate, rescind or cancel any Insurance, to treat it as avoided in whole or in part, to treat it as expired due to non-



payment of premium or otherwise decline any valid claim under it by or on behalf of any insured party and must give the opportunity to rectify any such non-payment of premium within the notice period, and

- (c) Each Chargor must be free to assign all amounts payable to it under each of its Insurances and all its rights in connection with those amounts in favour of the Lender
- (4) Each Chargor must use all reasonable endeavours to ensure that the Lender receives copies of the Insurances, receipts for the payment of premiums for insurance and any information in connection with the insurances and claims under them which the Lender may reasonably require
- (5) Each Chargor must promptly notify the Lender of
  - (a) the proposed terms of any future renewal of any of the Insurances,
  - (b) any amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurances made or, to its knowledge, threatened or pending,
  - (c) any claim, and any actual or threatened refusal of any claim, under any of the Insurances, and
  - (d) any event or circumstance which has led or may lead to a breach by a Chargor of any term of this clause
- (6) Each Chargor must
  - (a) comply with the terms of the Insurances,
  - (b) not do or permit anything to be done which may make void or voidable any of the Insurances, and
  - (c) comply with all reasonable risk improvement requirements of its insurers
- (7) Each Chargor must ensure that
  - (a) each premium for the Insurances is paid promptly and in any event prior to the commencement of the period of insurance for which that premium is payable, and
  - (b) all other things necessary are done so as to keep each of the Insurances in force
- (8) If a Chargor fails to comply with any term of this clause, the Lender may, at the expense of the Chargors effect any insurance and generally do such things and take such other action as the Lender may reasonably consider necessary or desirable to prevent or remedy any breach of this clause
  - (a) Except as provided below, the proceeds of any Insurances must, if the Lender so requires, be paid into such account as the Lender may specify from time to time for such purpose

- (b) To the extent required by the basis of settlement under any Insurances or under any Lease Document, each Chargor must apply moneys received under any Insurances in respect of a Mortgaged Property towards replacing, restoring or reinstating that Mortgaged Property
- (c) The proceeds of any loss of rent insurance will be treated as Rental Income and applied in such manner as the Lender (acting reasonably) requires to have effect as if it were Rental Income received over the period of the loss of rent
- (d) Moneys received under liability policies held by a Chargor which are required by that Chargor to satisfy established liabilities of the Chargor to third parties must be used to satisfy these liabilities

**(J) Environmental matters**

**(1) Each Chargor must**

- (a) comply and ensure that any relevant third party complies with all Environmental Law,
- (b) obtain, maintain and ensure compliance with all requisite Environmental Permits applicable to it or to a Mortgaged Property, and
- (c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or a Mortgaged Property,

where failure to do so has or is reasonably likely to have a Material Adverse Effect or result in any liability for the Lender

**(2) Each Chargor must, promptly upon becoming aware, notify the Lender of**

- (a) any Environmental Claim started, or to its knowledge, threatened,
- (b) any circumstances reasonably likely to result in an Environmental Claim, or
- (c) any suspension, revocation or notification of any Environmental Permit

**(3) Each Chargor must indemnify the Lender against any loss or liability which**

- (a) the Lender incurs as a result of any actual or alleged breach of any Environmental Law by any person, and
- (b) would not have arisen if a Finance Document had not been entered into,

unless it is caused by the Lender's gross negligence or wilful misconduct

**(K) Valuations**

- (1) Each Chargor shall supply to the Lender a Valuation in each of its financial years. The cost and expense of each such Valuation shall be borne by the Chargors.

- (2) If requested by the Lender, each Chargor shall supply to the Lender a Valuation at such time as the Lender may reasonably request. The cost and expense of each such Valuation shall be borne by the Chargors. If an Enforcement Event is continuing as a result of any such Valuation, the cost and expense of that Valuation shall be borne by the Chargors. If no Default is continuing as a result of any such Valuation, the cost of that Valuation shall be borne by the Lender.
- (3) Each Chargor shall supply to the Lender any valuation prepared by or on behalf of, or received by it.

## 7.9 Definitions

In this clause 7

"Agreement for Lease" means an agreement to grant an Occupational Lease for all or part of a Mortgaged Property

"Environment" means living organisms (including the ecological systems of which they form a part) and the following media

- (A) air (including, without limitation, air within natural or man-made structures, whether above or below ground),
- (B) water (including territorial, coastal or inland waters, water under or within land and water in drains and sewers) and
- (C) land (including, without limitation, land under water)

"Environmental Claim" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law

"Environmental Law" means any applicable law or regulation which relates to

- (A) the pollution or protection of the Environment,
- (B) the conditions of the workplace, or
- (C) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste

"Environmental Permits" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of a Chargor conducted on or from the properties owned or used by a Chargor

"Headlease" means a lease under which a Chargor holds title to any Mortgaged Property

"Insurances" means any contract of insurance required under clause 7.8(l)

"Lease Document" means

- (A) an Agreement for Lease,

(B) an Occupational Lease, or

(C) any other document designated as such by the Lender and a Chargor

"Occupational Lease" means any lease or licence or other right of occupation or right to receive rent to which any Mortgaged Property may at any time be subject and includes any guarantees of a tenant's obligations under the same

"Valuation" means a valuation of each Chargor's interest in its Mortgaged Property by the Valuer, addressed to, or capable of being relied upon by, the Lender

"Valuer" means any surveyor or valuer appointed by the Lender as such

## **8 Investments**

### **8.1 Investments**

Each Chargor represents and warrants to the Lender that

- (A) its Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right,
- (B) the constitutional documents of the issuer(s) of the Investments do not and could not restrict or inhibit the transfer of those Investments on creation or the enforcement of the Security Transaction,
- (C) it is the sole legal and beneficial owner of the Investments,
- (D) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any issuer of the Investments (including any option or right of pre-emption or conversion), and
- (E) the Investments are the entire issued share capital of the issuer of those Investments

### **8.2 Certificated Investments**

Each Chargor on the date of this Deed (or in the case of any certificated Investments acquired after the date of this Deed, as soon as possible after that acquisition)

- (A) shall immediately deposit with the Lender, or as the Lender may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to its Investments, and
- (B) shall promptly take any action and execute and deliver to the Lender any share transfer or other document which may be requested by the Lender in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to its Investments, this includes
  - (1) delivering executed and (unless exempt from stamp duty), pre-stamped share transfers in favour of the Lender or any of its nominees as transferee or, if the Lender so directs, with the transferee left blank, and

- (2) procuring that those share transfers are registered by the issuer of the Investments are held and that share certificates in the name of the transferee are delivered to the Lender

### **8.3 Changes to rights**

Each Chargor may not (except to the extent permitted by the Agreements) take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further Investments being issued

### **8.4 Calls**

- (A) Each Chargor shall pay all calls or other payments due and payable in respect of its Investments
- (B) If a Chargor fails to do so, the Lender may pay the calls or other payments in respect of any Investment on behalf of the Chargor. Each Chargor shall immediately on request reimburse the Lender for any payment made by the Lender under this clause 8.4

### **8.5 Other obligations in respect of Investments**

- (A) Each Chargor shall comply with all other conditions and obligations assumed by it in respect of any Investments
- (B) The Lender is not obliged to
  - (1) perform any obligation of a Chargor,
  - (2) make any payment,
  - (3) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor, or
  - (4) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Investments

### **8.6 Voting rights before enforcement**

- (A) Subject to clause 8.7 (*Voting rights after enforcement*), a Chargor may continue to exercise the voting rights, powers and other rights in respect of its Investments but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of the Lender
- (B) If the relevant Investments have been registered in the name of the Lender or its nominee, the Lender (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Investments in any manner which the Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of the Lender. The Lender (or that nominee) will execute any form of proxy or other document which a Chargor may reasonably require for this purpose

(C) Subject to clause 8.7 (*Voting rights after enforcement*), all dividends or other income or distributions paid or payable in relation to any Investments shall be paid to the relevant Chargor. To achieve this

- (1) the Lender or its nominee will promptly execute any dividend mandate necessary to ensure that payment is made direct to that Chargor, or
- (2) if payment is made directly to the Lender (or its nominee) before this Security becomes enforceable, the Lender (or that nominee) will promptly pay that amount to that Chargor

#### **8.7 Voting rights after enforcement**

(A) Following the occurrence of an Enforcement Event, the Lender or its nominee may exercise or refrain from exercising

- (1) any voting rights, and
- (2) any other powers or rights which may be exercised by the legal or beneficial owner of any Investments, any person who is the holder of any Investments or otherwise,

in each case, in the name of the relevant Chargor, the registered holder or otherwise and without any further consent or authority on the part of that Chargor and irrespective of any direction given by that Chargor

(B) To the extent that the Investments remain registered in the name of a Chargor, that Chargor irrevocably appoints the Lender or its nominee as its proxy to exercise all voting rights in respect of those Investments at any time after this Security has become enforceable

(C) Each Chargor shall indemnify the Lender against any loss or liability incurred by the Lender as a consequence of the Lender acting in respect of Investments on the direction of the Chargor

#### **8.8 Clearance systems**

(A) Each Chargor shall, if so requested by the Lender

- (1) instruct any clearance system to transfer any Investment held by it for the Chargor or its nominee to an account of the Lender or its nominee with that clearance system, and
- (2) take whatever action the Lender may request for the dematerialisation or rematerialisation of any Investments held in a clearance system

(B) Without prejudice to the rest of this clause the Lender may, at the expense of the Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Investments as necessary

#### **8.9 Custodian arrangements**

Each Chargor shall

- (A) promptly give notice of this Deed to any custodian of any Investments in any form which the Lender may reasonably require, and
- (B) use reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Lender may reasonably require

**9 Book debts**

- (A) Each Chargor shall get in and realise its
  - (1) securities to the extent held by way of temporary investment,
  - (2) book and other debts and other moneys owed to it, and
  - (3) royalties, fees and income of any nature owed to it,in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an account in accordance with clause 9(B) below but subject always to the Security created by or expressed to be created by this Deed) on trust for the Lender
- (B) Each Chargor shall, except to the extent that the Lender otherwise agrees, pay all the proceeds of the getting in and realisation into the account designated from time to time by the Lender

**10 Bank accounts**

**10 1 Restrictions on accounts**

No Chargor shall have any accounts other than those specified in Schedule 4 (*Accounts*) and those designated in writing from time to time by the Lender to the relevant Chargor

**10 2 Withdrawals from accounts**

- (A) No Chargor shall withdraw any moneys (including interest) standing to the credit of any of its accounts other than in accordance with the terms of the Finance Documents
- (B) The Lender (or a Receiver) may withdraw amounts standing to the credit of any of a Chargor's accounts

**10 3 Notices of charge**

- (A) Each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each bank or financial institution at which a Chargor maintains any of its accounts
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in clause 10 3(A) acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed

## **11 Insurances**

### **11 1 Rights**

- (A) Subject to the rights of the Lender under clause 11 1(B), each Chargor shall diligently pursue its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest, but only if and to the extent that the exercise of those rights in the manner proposed would not result in an Enforcement Event
- (B) The Lender may exercise (without any further consent or authority on the part of a Chargor and irrespective of any direction given by any Chargor) any of the rights of a Chargor in connection with any amounts payable to it under any of its Insurances
- (C) Each Chargor must take such steps (at its own cost) as the Lender may require to enforce those rights, this includes initiating and pursuing legal or arbitration proceedings in the name of that Chargor
- (D) Each Chargor must hold any payment received by it under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest on trust for the Lender

### **11 2 Notices of charge or assignment**

- (A) Each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each of its insurers.
- (B) Each Chargor shall use reasonable endeavours to ensure that each person referred to in clause 11 2(A) acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed

## **12 Guarantee and Indemnity**

### **12 1 Guarantee and indemnity**

Each Guarantor irrevocably and unconditionally jointly and severally

- (A) guarantees to the Lender punctual performance by each other Chargor of all that Chargor's obligations under the Finance Documents,
- (B) undertakes with the Lender that whenever another Chargor does not pay any amount when due under or in connection with any Finance Document, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor, and
- (C) agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of a Chargor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due



## 12.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Chargor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part

## 12.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Guarantor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred

## 12.4 Waiver of defences

The obligations of each Guarantor under this Deed will not be affected by an act, omission, matter or thing which, but for this Deed, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or the Lender) including

- (A) any time, waiver or consent granted to, or composition with, any Chargor or other person,
- (B) the release of any other Chargor or any other person under the terms of any composition or arrangement with any creditor of any Chargor;
- (C) 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 Chargor 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,
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Chargor or any other person,
- (E) 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 loan facility or the addition of any new loan facility under any Finance Document or other document or security,
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (G) any insolvency or similar proceedings, including but not limited to the enforcement events listed at clauses 16.5 (*Insolvency*) and 16.6 (*Insolvency proceedings*)

## 12.5 Guarantor intent

Without prejudice to the generality of clause 12.4 (*Waiver of Defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the

Finance Documents and/or any facility or amount made available under any of the Finance Documents

#### 12.6 Immediate recourse

Each Guarantor waives any right it may have of first requiring the Lender (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 Guarantor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

#### 12.7 Appropriations

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by that Lender (or any trustee or agent on its 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 Guarantor shall be entitled to the benefit of the same, and
- (B) hold in a suspense account any moneys received from any Guarantor or on account of any Guarantor's liability under this Deed.

#### 12.8 Deferral of Guarantors' rights

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Lender otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed.

- (A) to be indemnified by an Chargor,
- (B) to claim any contribution from any other guarantor of any Chargor's obligations under the Finance Documents,
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender,
- (D) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under this clause 12 (*Guarantee and Indemnity*),
- (E) to exercise any right of set-off against any Chargor, and/or
- (F) to claim or prove as a creditor of any Chargor in competition with the Lender.

If a Guarantor 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 all amounts

which may be or become payable to the Lender by the Chargors under or in connection with the Finance Documents to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender

**12.9 Additional security**

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender

**13 Representations**

Each Chargor makes the representations and warranties set out in this clause 13 to the Lender

**13.1 Status**

- (A) It is a corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation
- (B) It has the power to own its assets and carry on its business as it is being conducted.

**13.2 Binding obligations**

The obligations expressed to be assumed by it in this Deed are, subject to any general principles of law limiting its obligations

**13.3 Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with

- (A) any law or regulation applicable to it,
- (B) its constitutional documents, or
- (C) any agreement or instrument binding upon it or any of its assets

**13.4 Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed

**13.5 Validity and admissibility in evidence**

All Authorisations required or desirable

- (A) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed,
- (B) to make this Deed admissible in evidence in its jurisdiction of incorporation, and

- (C) to enable it to create the Security created or expressed to be created pursuant to this Deed and to ensure that such Security has the priority and ranking it is expressed to have,

have been obtained or effected and are in full force and effect

#### **13 6 Governing law and enforcement**

- (A) The choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation
- (B) Any judgment obtained in England in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation

#### **13 7 Deduction of Tax**

It is not required to make any deduction for or on account of Tax from any payment it may make under this Deed

#### **13 8 No filing or stamp taxes**

Under the law of its jurisdiction of incorporation it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Deed or the transactions contemplated by this Deed except registrations which may be required at Companies House, the Land Registry or any asset registry (or equivalent)

#### **13 9 No default**

- (A) No Enforcement Event (other than the Enforcement Events notified to the Lender by each Chargor prior to the date of this Deed) is continuing or might reasonably be expected to result from the execution of, or performance of, the transactions contemplated by this Deed
- (B) No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which might have a Material Adverse Effect

#### **13 10 Financial statements**

- (A) Its Original Financial Statements were prepared in accordance with GAAP consistently applied unless expressly disclosed to the Lender in writing to the contrary before the date of this Deed
- (B) Its Original Financial Statements fairly represent its financial condition and operations during the relevant financial year unless expressly disclosed to the Lender in writing to the contrary before the date of this Deed

#### **13 11 Pari passu ranking**

Its payment obligations under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally

### 13 12 Security

This Deed creates (or, once entered into, will create) in favour of the Lender, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have

### 13 13 Legal and beneficial ownership

It is the absolute legal and beneficial owner of all the assets over which it purports to create any Security pursuant to this Deed

### 13 14 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries

### 13 15 Centre of main interests and establishments

For the purposes of The Council of the European Union Regulation No 1346/2000 on Insolvency Proceedings and The European Parliament and the Council of the European Union Regulation No 2015/848 on Insolvency Proceedings (recast) (each a "Regulation" and together the "Regulations"), its centre of main interest (as that term is used in Article 3(1) of the Regulations) is situated in England and Wales

## 14 Information Undertakings

### 14 1 Financial statements

Each Chargor shall supply to the Lender

- (A) as soon as the same become available, but in any event within 180 days after the end of each of its financial years its audited consolidated financial statements for that financial year, and
- (B) as soon as the same become available, but in any event within 30 days after the end of each half of each of its financial years its consolidated financial statements for that financial half year

### 14 2 Requirements as to financial statements

- (A) Each set of financial statements delivered by a Chargor pursuant to clause 14 1 (*Financial statements*) shall be certified by a director of the relevant company as fairly representing its financial condition as at the date as at which those financial statements were drawn up
- (B) Each Chargor shall procure that each set of financial statements delivered pursuant to clause 14 1 (*Financial statements*) is prepared using the Accounting Principles
- (C) Each Chargor shall procure that each set of financial statements of an Obligor delivered pursuant to clause 14 1 (*Financial statements*) is prepared using the Accounting Principles, accounting practices and financial reference periods consistent with those applied in the preparation of the Original Financial

Statements for that Chargor unless, in relation to any set of financial statements, it notifies the Lender that there has been a change in GAAP, the accounting practices or reference periods and its auditors (or, if appropriate, the auditors of the Chargor) deliver to the Lender

- (1) a description of any change necessary for those financial statements to reflect the Accounting Principles, accounting practices and reference periods upon which that Obligor's Original Financial Statements were prepared, and
- (2) sufficient information, in form and substance as may be reasonably required by the Lender, to enable the Lender to make an accurate comparison between the financial position indicated in those financial statements and that Chargor's Original Financial Statements

Any reference in this Deed to those financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which the Original Financial Statements were prepared

#### **14 3 Information: miscellaneous**

Each Chargor shall supply to the Lender

- (A) all documents dispatched by that Chargor to its shareholders (or any class of them) or its creditors generally at the same time as they are dispatched,
- (B) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against it, and which might, if adversely determined, have a Material Adverse Effect, and
- (C) promptly, such further information regarding its financial condition, business and operations as Lender may reasonably request

#### **14 4 Notification of Enforcement Events**

- (A) Each Chargor shall notify the Lender of any Enforcement Event (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Chargor)
- (B) Promptly upon a request by the Lender, each Chargor shall supply to the Lender a certificate signed by two of its directors or senior officers on its behalf certifying that no Enforcement Event is continuing (or if an Enforcement Event is continuing, specifying the Enforcement Event and the steps, if any, being taken to remedy it)

### **15 General Undertakings**

#### **15 1 Authorisations**

Each Chargor shall promptly

- (A) obtain, comply with and do all that is necessary to maintain in full force and effect, and
- (B) supply certified copies to the Lender of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Deed

## **15 2 Compliance with laws**

Each Chargor shall comply in all respects with all laws to which it may be subject, if failure so to comply would materially impair its ability to perform its obligations under the Finance Documents to which it is a party

## **15 3 Negative pledge**

(A) No Chargor shall create or permit to subsist any Security over any of its assets

(B) No Chargor shall

- (1) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor or any other member of the Group,
- (2) sell, transfer or otherwise dispose of any of its receivables on recourse terms,
- (3) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, or
- (4) enter into any other preferential arrangement having a similar effect,

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

(C) Clauses 15 3(A) and 15 3(B) do not apply to

- (1) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances,
- (2) any lien arising by operation of law and in the ordinary course of trading,
- (3) any Security over or affecting any asset acquired by a member of the Group after the date of this Deed if
  - (a) the Security was not created in contemplation of the acquisition of that asset by a member of the Group,
  - (b) the principal amount secured has not been increased in contemplation of, or since the acquisition of that asset by a member of the Group, and
  - (c) the Security is removed or discharged within 2 months of the date of acquisition of such asset,
- (4) any Security over or affecting any asset of any company which becomes a member of the Group after the date of this Deed, where the Security is

created prior to the date on which that company becomes a member of the Group, if

- (a) the Security was not created in contemplation of the acquisition of that company,
- (b) the principal amount secured has not increased in contemplation of or since the acquisition of that company, and
- (c) the Security is removed or discharged within 2 months of that company becoming a member of the Group,

(5) any Security entered into pursuant to any Finance Document

#### **15 4 Disposals**

- (A) No Chargor shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset.
- (B) Clause 15 4(A) does not apply to any sale, lease, transfer or other disposal
  - (1) made in the ordinary course of trading of the disposing entity,
  - (2) of assets in exchange for other assets comparable or superior as to type, value and quality

#### **15 5 Merger**

No Chargor shall enter into any amalgamation, demerger, merger or corporate reconstruction

#### **15 6 Change of business**

Each Chargor shall procure that no substantial change is made to the general nature of the business of that Chargor or the Group from that carried on at the date of this Deed

### **16 Enforcement Events**

Each of the events or circumstances set out in this clause 16 is an Enforcement Event

#### **16 1 Non-payment**

A Chargor fails to pay any of the Secured Liabilities when due

#### **16 2 Other obligations**

A Chargor is in breach of any of its obligations to the Lender and that breach (if capable of remedy) has not been remedied to the satisfaction of the Lender within 14 days of notice by the Lender to the Borrower to remedy the breach

#### **16 3 Misrepresentation**

Any representation or statement made or deemed to be made by a Chargor in the Finance Documents or any other document delivered by or on behalf of a Chargor under or in



connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

#### **16.4 Cross default**

- (A) Any Financial Indebtedness of a Chargor is not paid when due nor within any originally applicable grace period
- (B) Any Financial Indebtedness of a Chargor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described)
- (C) Any commitment for any Financial Indebtedness of a Chargor is cancelled or suspended by a creditor of a Chargor as a result of an event of default (however described)
- (D) Any creditor of a Chargor becomes entitled to declare any Financial Indebtedness of any member of the Group due and payable prior to its specified maturity as a result of an event of default (however described)
- (E) No Enforcement Event will occur under this clause 16.4 if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within clause 16.4(A) to 16.4(D) is less than £3000 (or its equivalent in any other currency or currencies)

#### **16.5 Insolvency**

- (A) A Chargor is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness
- (B) The value of the assets of a Chargor is less than its liabilities (taking into account contingent and prospective liabilities)
- (C) A moratorium is declared in respect of any indebtedness of a Chargor

#### **16.6 Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or 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 a Chargor,
- (B) a composition, compromise, assignment or arrangement with any creditor of a Chargor,
- (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of a Chargor or any of its assets, or
- (D) enforcement of any Security over any assets of a Chargor,

or any analogous procedure or step is taken in any jurisdiction

**16 7 Creditors' process**

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets a Chargor and is not discharged within 21 days

**16 8 Ownership of a Chargor**

A Chargor, other than the Parent, is not or ceases to be a Subsidiary of the Parent.

**16 9 Change of Control**

Any Change of Control shall occur

**16 10 Unlawfulness**

It is or becomes unlawful for a Chargor to perform any of its obligations under the Finance Documents

**16 11 Repudiation**

A Chargor repudiates a Finance Document or evidences an intention to repudiate a Finance Document

**16 12 Material adverse change**

Any event occurs (or circumstances exist) which, in the opinion of the Lender, has or is likely to materially and adversely affect a Chargors ability to perform all or any of its obligations under, or otherwise comply with the terms of, this Deed or any document under which the Chargor owes obligations to the Lender

**17 Enforcement**

**17 1 When enforceable**

The Transaction Security shall be immediately enforceable if an Enforcement Event occurs and the Lender gives notice to the Chargor that the Security created by or expressed to be created by this Deed is enforceable

**17 2 Power of sale**

The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed

**17 3 Section 103 of the LPA**

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed

**17 4 Section 93 of the LPA**

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed

#### **17 5 No liability as mortgagee in possession**

Neither the Lender nor any Receiver or Delegate will be liable, by reason of entering into possession of any Charged Property, to account as mortgagee in possession for any loss on realisation of for any default or omission for which a mortgagee in possession might be liable

#### **17 6 Privileges**

The Lender, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA except that Section 103 of the LPA (restricting the power of sale) does not apply

#### **17 7 No duty to enquire**

No person dealing with the Lender, any Receiver or any Delegate shall be concerned to enquire

- (A) whether the rights conferred by or pursuant to any Finance Document are exercisable,
- (B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with,
- (C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights, or
- (D) as to the application of any money borrowed or raised

#### **17 8 Protection to purchasers**

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc ) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Lender, any Receiver or any Delegate

#### **17 9 Financial collateral arrangements**

- (A) To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003 (the "Regulations") apply to any Charged Property the Lender shall have the right to appropriate any Charged Property which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities
- (B) The value of any Charged Property appropriated in accordance with this clause 17 9 shall be
  - (1) in the case of cash, the amount of the cash appropriated, and
  - (2) in the case of any Investments, their market value as determined by the Lender by reference to a public index, independent valuation or by such other process as the Lender may select (acting reasonably)
- (C) Each Chargor agrees that the method of valuation provided for in this clause 17 is commercially reasonable for the purposes of the Regulations

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## **18     Receiver**

### **18.1   Appointment of receiver**

- (A)    The Lender may appoint any one or more persons to be a Receiver of all or any part of the Charged Property if
  - (1)    an Enforcement Event occurs, or
  - (2)    requested to do so by the Chargor
- (B)    Any appointment under clause 18.1(A) may be by deed, under seal or in writing under hand

### **18.2   Removal**

The Lender may by writing under hand remove any Receiver appointed by it and may appoint a new Receiver in place of any Receiver whose appointment it may have terminated

### **18.3   Remuneration**

The Lender may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA will not apply

### **18.4   Agent of Chargor**

- (A)    Any Receiver will be deemed to be the agent of the Chargor for all purposes. Each Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver
- (B)    The Lender will not incur any liability (either to a Chargor or any other person) by reason of its appointment of a Receiver or for any other reasons

### **18.5   Lender's rights**

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Lender, whether or not the Lender shall have taken possession or appointed a Receiver of the Charged Property

## **19     Powers of Receiver**

### **19.1   General**

- (A)    A Receiver has all of the rights, powers and discretions set out below in this clause in addition to those conferred on it by any law, including all the rights, powers and discretions conferred on a receiver under the LPA and a receiver or an administrative receiver under the Insolvency Act 1986
- (B)    If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver

## **19.2 Possession**

A Receiver may take immediate possession of, get in and collect any Charged Property

## **19.3 Carry on business**

A Receiver may carry on the business of a Chargor in any manner he thinks fit

## **19.4 Employees**

(A) 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 thinks fit

(B) A Receiver may discharge any person appointed by a Chargor

## **19.5 Borrow money**

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

## **19.6 Sale of assets**

(A) A Receiver may sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit

(B) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit

(C) Fixtures, other than fixtures of any landlord or of any tenant under a Lease Document, may be severed and sold separately from the property containing them without the consent of a Chargor

## **19.7 Leases**

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

## **19.8 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 a Chargor or relating in any way to any Charged Property

## **19.9 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Charged Property which he thinks fit

## **19 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 Charged Property.

## **19 11 Subsidiaries**

A Receiver may form a Subsidiary of a Chargor and transfer to that Subsidiary any Charged Property

## **19 12 Delegation**

A Receiver may delegate his powers in accordance with this Deed

## **19 13 Lending**

A Receiver may lend money or advance credit to any customer of a Chargor

## **19 14 Protection of assets**

A Receiver may

- (A) effect any repair or insurance and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Charged Property,
- (B) commence and/or complete any building operation, and
- (C) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit

## **19 15 Other powers**

A Receiver may

- (A) do all other acts and things which he may consider desirable or necessary for realising any Charged Property 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,
- (B) exercise in relation to any Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Charged Property, and
- (C) use the name of a Chargor for any of the above purposes

## **20 Power of attorney**

### **20 1 Appointment**

Each Chargor by way of security irrevocably appoints the Lender, any Receiver and any Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise as such time and in such manner as the attorney may think fit

- (A) to do anything which that Chargor is obliged to do under any Finance Document, and
- (B) to exercise any of the rights conferred on the Lender, any Receiver or any Delegate in relation to the Charged Property or under any Finance Document, the LPA or the Insolvency Act 1986

## **20 2 Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause

## **21 Tacking**

The Lender shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

## **22 Delegation**

### **22 1 Delegate and sub-delegates**

The Lender or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

### **22 2 Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) as the Lender or any Receiver thinks fit.

### **22 3 Liability**

Neither the Lender nor any Receiver will be in any way liable or responsible to a Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

## **23 Preservation of security**

### **23 1 Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of a Chargor or any security for those obligations or otherwise) is made by Lender in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred

### **23 2 Waiver of defences**

The obligations of each Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its obligations under this Deed (and whether or not known to it or the Lender) including without limitation

- (A) any time, waiver or consent granted to, or composition with, any Chargor or other person,

- (B) the release of any other Chargor or any other person under the terms of any composition or arrangement with any creditor of any other person,
- (C) 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 Chargor 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,
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Chargor or any other person,
- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security,
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (G) any insolvency or similar proceedings

### **23 3 Immediate recourse**

Each Chargor waives any right it may have of first requiring the Lender (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 Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

### **23 4 Appropriations**

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by it (or any trustee or agent on its 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 Charger shall be entitled to the benefit of the same, and
- (B) hold in an interest-bearing suspense account any moneys received from a Chargor or on account of a Chargor's liability under this Deed

### **23 5 Deferral of Chargor's rights**

Until all amounts which may be or become payable by the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Lender otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed

- (A) to be indemnified by a Chargor or any other person,
- (B) to claim any contribution from any other guarantor of a Chargor's obligations under the Finance Documents,



- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party,
- (D) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which a Chargor has given a guarantee, undertaking or indemnity under any other Finance Document,
- (E) to exercise any right of set-off against any Chargor or other person, and/or
- (F) to claim or prove as a creditor of any Chargor or other person in competition with the Lender

If a Chargor 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 all amounts which may be or become payable to the Lender by the Chargors under or in connection with the Finance Documents to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with clause 28 (*Payments*) this Deed

## 24 **Taxes**

### 24.1 **Definitions**

In this clause

**"Tax Credit"** means a credit against, relief or remission for, or repayment of, any Tax

**"Tax Deduction"** means a deduction or withholding for or on account of Tax from a payment under a Finance Document

**"Tax Payment"** means either the increase in a payment made by a Chargor to the Lender under clause 24.2 (*Tax gross up*)

Unless a contrary indication appears, in this clause 24 a reference to **"determines"** or **"determined"** means a determination made in the absolute discretion of the person making the determination

### 24.2 **Tax gross-up**

- (A) Each Chargor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law
- (B) Each Chargor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lender accordingly
- (C) If a Tax Deduction is required by law to be made by a Chargor, the amount of the payment due from that Chargor 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

- (D) If a Chargor is required to make a Tax Deduction, that Chargor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law
- (E) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, that Chargor making that Tax Deduction shall deliver to the Lender evidence reasonably satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority

#### 24.3 Tax Credit

If a Chargor makes a Tax Payment and the Lender determines that

- (A) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part or to that Tax Payment, and
- (B) the Lender has obtained, utilised and retained that Tax Credit,

the Lender shall pay an amount to that Chargor which the Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by that Chargor

#### 24.4 Stamp taxes

Each Chargor shall pay and, within three Business Days of demand, indemnify the Lender against any cost, loss or liability the Lender incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of this Deed

#### 24.5 Value added tax

- (A) All consideration expressed to be payable under this Deed by any Party to the Lender shall be deemed to be exclusive of any VAT. Subject to paragraph 24.5(B) below, if VAT is chargeable on any supply made by the Lender to any Party in connection with this Deed, that Party shall pay to the Lender (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT
- (B) If VAT is chargeable on any supply made by the Lender (the "Supplier") to any other person (the "Recipient") in connection with this Deed, and any Party is required by the terms of this Deed to pay an amount equal to the consideration for such supply to the Supplier, such Party shall also pay to the Supplier (in addition to and at the same time as paying such amount) an amount equal to the amount of such VAT
- (C) Where this Deed requires any Party to reimburse the Lender for any costs or expenses, that Party shall also at the same time pay and indemnify the Lender against all VAT incurred by the Lender in respect of the costs or expenses to the extent that the Lender reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of the VAT

**25     Costs and expenses**

**25 1   Transaction expenses**

Each Chargor shall promptly on demand pay the Lender the amount of all costs and expenses (including legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and perfection of this Deed

**25 2   Amendment costs**

If a Chargor requests an amendment, waiver or consent, that Chargor shall, within three Business Days of demand, reimburse the Lender for the amount of all costs and expenses (including legal fees) reasonably incurred by the Lender in responding to, evaluating, negotiating or complying with that request or requirement

**26     Enforcement expenses**

**26 1   Enforcement expenses**

Each Chargor shall, within three Business Days of demand, pay to the Lender the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Lender, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or the Transaction Security and any proceedings instituted by or against the Lender as a consequence of taking or holding the Transaction Security or enforcing these rights

**27     Changes to the Parties**

**27 1   Assignments and transfer by the Chargors**

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

**27 2   Assignment and transfer by the Lender**

The Lender may assign any of its rights or transfer any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Finance Documents

**28     Payments**

**28 1   Payments**

All payments by a Chargor under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Lender may direct

**28 2   Continuation of accounts**

(A)   At any time if any subsequent Security affects any Charged Property or a petition is presented or resolution passed in relation to the winding-up of a Chargor, the Lender may open a new account in the name of that Chargor (whether or not it permits any existing account to continue)

- (B) If the Lender does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred
- (C) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce any Secured Liabilities

### 28 3 Order of distributions

All amounts received or recovered by the Lender or any Receiver or Delegate in the exercise of their rights under this Deed shall be applied in the following order

- (A) first, in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of its rights, including any remuneration and outgoings paid to it,
- (B) second, in or towards payment of the Secured Liabilities in the order selected by the Lender, and
- (C) third, in payment of any surplus to the relevant Chargor or other person entitled to it

### 28 4 No set-off by Chargors

All payments to be made by a Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim

## 29 Set-Off

The Lender may set off any matured obligation due from a Chargor under the Finance Documents (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off

## 30 Notices

### 30 1 Communications in writing

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

### 30 2 Addresses

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

- (A) in the case of the a Chargor, that identified with its name below,
- (B) and
- (C) in the case of the Lender, that identified with its name below,

or any substitute address or fax number or department or officer as the Party may notify to the other Parties by not less than five Business Days' notice

### **30 3 Delivery**

(A) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective

(1) if by way of fax, when received in legible form, or

(2) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 30 2 (*Addresses*), if addressed to that department or officer

(B) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose)

(C) Any communication or document made or delivered to a Chargor in accordance with this clause will be deemed to have been made or delivered to each of the Chargors

### **30 4 Notification of address and fax number**

Promptly upon receipt of notification of an address or fax number or change of address or fax number pursuant to clause 30 2 (*Addresses*) or changing its own address or fax number, the Lender shall notify the other Parties

### **30 5 English language**

(A) Any notice given under or in connection with any Finance Document must be in English

(B) All other documents provided under or in connection with any Finance Document must be

(1) in English, or

(2) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document

## **31 Release of Security**

### **31 1 Release**

At the end of the Security Period the Lender shall at the request and cost of the Chargors, take whatever action is necessary to release the Charged Property from the Security created by or expressed to be created by this Deed

## 31 2 **Retention**

If the Lender considers that any amount paid or credited to it under a Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid

## 32 **Partial Invalidity**

If, at any time, any provision of the Finance Documents 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

## 33 **Remedies and Waivers**

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under the Finance Documents shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law

## 34 **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

## 35 **Governing Law**

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

## 36 **Enforcement**

### 36 1 **Jurisdiction**

- (A) 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 obligations arising out of or in connection with this Deed) (a "Dispute")
- (B) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (C) This clause 36 1 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions

**THIS DEED has been entered into as a deed on the date stated at the beginning of this Deed.**

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**SCHEDULE 1 : THE CHARGORS AND THE GUARANTORS**

<b>Name of Chargor</b>	<b>Jurisdiction of incorporation or establishment</b>	<b>Registration number</b>
One Stop Car Credit Ltd	England and Wales	07495973
C4C Franchise Ltd	England and Wales	08178420
Car Warranty Company Limited	England and Wales	08470499
Credit 4 Cars Ltd	England and Wales	06653549
Credit Car Sales Ltd	England and Wales	07877426
OSCC (One) Ltd	England and Wales	08163573
OSCC (Two) Ltd	England and Wales	08303717

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**SCHEDULE 2 : MORTGAGED PROPERTY**

<b>Freehold/Leasehold</b>	<b>Title number</b>	<b>Description</b>
None		



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**SCHEDULE 3 : INVESTMENTS**

<b>Name of company in which shares are held</b>	<b>Name of nominee (if any) by whom shares are held</b>	<b>Class of shares held</b>	<b>Number of shares held</b>
C4C Franchise Limited	N/A	Ordinary	100
Car Warranty Company Limited	N/A	Ordinary	100
Credit 4 Cars Limited	N/A	Ordinary	200
Credit Car Sales Limited	N/A	Ordinary	1
OSCC (One) Limited	N/A	Ordinary	1000
OSCC (Two) Limited	N/A	Ordinary	100

#### SCHEDULE 4 NOTICE TO BANK HOLDING AN ACCOUNT

To [Account Bank]

Address [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated [•] between [•] as chargor][each of the companies listed at the end of this notice] and [•] as Lender (the "Lender") we have charged by way of first fixed charge in favour of the Lender all of our rights in respect of any amount standing to the credit of any account maintained by us with you at any of your branches (the "Account[s]") in respect of our group companies One Stop Car Credit Limited, Credit 4 Cars Limited, OSCC (One) Limited and OSCC (Two) Limited and the debts represented by those Account[s]

We irrevocably instruct and authorise you to

- (A) disclose to the Lender any information relating to the Account[s] requested from you by the Lender,
- (B) comply with the terms of any written notice or instruction relating to the Account[s] received by you from the Lender,
- (C) hold all sums standing to the credit of the Account[s] to the order of the Lender, and
- (D) pay or release any sum standing to the credit of the Account in accordance with the written instructions of the Lender

We acknowledge that the you may comply with the instructions in this letter without any further permission from the Chargor or enquiry by you

The instructions in this notice may not be revoked or amended without the prior written consent of the Lender

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Account[s] as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Lender at [•], marked for the attention of [•]

For and on behalf of  
[•]  
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and confirm that we

- (A) will accept the instructions contained in the notice and agree to comply with the notice,
- (B) have not received notice of the interest of any third party in the Account[s], and
- (C) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account[s]

For and on behalf of  
[bank]

Date

## SCHEDULE 5 : NOTICE TO INSURERS

To [The Insurers]

Address [•]

[Date]

Dear Sirs

This letter constitutes notice to you that under a security agreement dated [•] between [[•] as chargor][each of the companies listed at the end of this notice and [•] as Lender (the "Lender") we have assigned to the Lender all of our present and future right, title and interest in and any contract of insurance taken out with you by or on behalf of us or under which we have a right to claim (the "Insurances")

- 37 All moneys payable by you to the Chargor in respect of the Insurances other than third party Insurances shall be paid as directed by the Chargor, unless and until you receive written notice from the Lender to the contrary, in which event you should make all future payments as then directed by the Lender
- 38 Subject to any applicable legislation and despite the assignments referred to above, all sums in respect of any claim under any third party Insurance by an insured party shall be paid
- 38 1 directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made, or
- 38 2 (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party, unless the insured party is us, in which case such sums shall be paid as directed by the Lender
- 39 This authority and instruction is irrevocable without the prior written consent of the Lender

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Lender at [•], marked for the attention of [•]

For and on behalf of  
[•]  
as Chargor

[On duplicate]

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We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or notice that any other person claims any rights in respect of the Insurances.

For and on behalf of  
[The Insurer]

Date

## SCHEDULE 6 . NOTICE TO TENANTS

[On the letterhead of the Chargor]

To [Tenant]

[Date]

Dear Sirs,

**Re: [Property]**

This letter constitutes notice to you that under a security agreement dated [•] between [[•] as chargor][each of the companies listed at the end of this notice and [•] as Lender (the "Lender") we have assigned to the Lender all of our present and future right, title and interest in and to [describe lease] (the "Lease Document")

We irrevocably instruct and authorise you to pay any rent payable by you under the Lease Document to our account [with the Lender] at [•], Account No [•], Sort Code [•] (the "Rent Account")

We will remain liable under the Lease Document to perform all the obligations assumed by us under the Lease Document. None of the Lender, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Lease Document

Please note that we have agreed not to amend, waive or vary any provision of or terminate the Lease Document without the prior consent of the Lender

We confirm that you may comply with the instructions in this letter without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions

The instructions in this letter apply until you receive notice from the Lender to the contrary and notwithstanding any previous instructions given by us

The instructions in this letter may not be revoked or amended without the prior written consent of the Lender

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Lender at [•], marked for the attention of [•]

Yours faithfully,

For and on behalf of

[•]

as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and agree to comply with its terms  
We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Lease Document

We accept the instructions contained in the notice.

We confirm that we

- (a) have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease Document (as defined in the notice), and
- (b) must pay all rent and all other monies payable by us under the Lease Document into the Rent Account (as defined in the notice), and
- (c) must continue to pay those monies into the Rent Account until we receive your written instructions to the contrary

For and on behalf of

[The Tenant]

Date

## SCHEDULE 7 : FORM OF SUPPLEMENTAL MORTGAGE

THIS DEED is dated [•]

and made

### BETWEEN:

- (1) [•] (registered number [•]) (the "Chargor"), and
- (2) FIDOR BANK AG, (the "Lender")

### BACKGROUND:

- (A) The Chargor has entered into a security agreement dated [•] 20[•] (the "Security Agreement") between[, amongst others,] the Chargor and the Lender
- (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 Interpretation

- (A) Terms defined in the Security Agreement have the same meaning in this Deed unless given a different meaning in this Deed
- (B) The other provisions of clause 1 2 (*Construction*) of the Security Agreement apply to this Deed as if set out in full in this Deed with all necessary changes
- (C) This Deed is a Finance Document

#### 2 Creation of Security

##### 2 1 Security generally

All the Security created, or expressed to be created, under this Deed

- (A) is created in favour of the Lender,
- (B) is created over the present and future assets of the Chargor,
- (C) is security for the payment of all the Secured Liabilities, and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

##### 2 2 Land

- (A) The Chargor charges
  - (1) by way of a first legal mortgage all estates or interests in any freehold property now owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that property, including the freehold property (if any) specified in Schedule 1 (*Mortgaged Property*), and



- 
- (2) (to the extent that they are not the subject of a legal mortgage under clause 2 2(A)(1)) by way of first fixed charge all estates or interests in any freehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that property
  - (B) The Chargor assigns absolutely to the Lender all of its rights and interests in and to each Lease Document (including all Rental Income and in respect of any guarantee of Rental Income contained in or relating to any Lease Document) ]
  - (C) A reference in this Deed to a mortgage or charge of any freehold property includes
    - (1) each and every part of that property, including the buildings, structures, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or in the future on that property and all easements and rights attaching to it, and
    - (2) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property or any moneys paid or payable in respect of those covenants

## 2 3 Insurances

- (A) The Chargor assigns absolutely to the Lender all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest
- (B) To the extent that they are not effectively assigned under clause 2 3(A), the Chargor charges by way of first fixed charge all its rights and amounts described in clause 3 7(A)

## 2 4 Contracts

- (A) The Chargor assigns absolutely to the Lender all of its rights and interests under each [specify contract assigned]
- (B) [To the extent that any such right described in clause 2 4(A) is not capable of assignment, the assignment of that right purported to be effected by clause 2 4(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right ]
- (C) To the extent that they do not fall within any other part of this clause or are not effectively assigned under clause 2 4(A) [or 2 4(B)], the Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party
- (D) [If the Chargor assigns an agreement or document under this Deed (or charges it [by way of a first fixed charge]) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained
  - (1) the Chargor must notify the Lender immediately,
  - (2) the assignment or charge will not take effect until that consent is obtained,

- 
- (3) unless the Lender otherwise requires, the Chargor shall, use all reasonable endeavours to obtain the consent as soon as practicable, and
  - (4) the Chargor must promptly supply to the Lender a copy of the consent obtained by it.]

### 3 **Miscellaneous**

With effect from the date of this Deed any reference in the Security Agreement to this Deed and similar phrases will include this Deed and all references in the Security Agreement to Schedule 2 (or any part of it) will include a reference to the schedule to this Deed (or relevant part of it)

### 4 **Governing law**

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

**THIS DEED** has been executed and delivered as a deed on the date stated at the beginning of this Deed

---

**EXECUTION PAGE TO SUPPLEMENTAL MORTGAGE**

**The Chargor**

EXECUTED as a DEED by                    )  
[•]    )  
acting by                                    )  
and   )

Director

Director/Secretary

**The Lender**

Fidor Bank AG

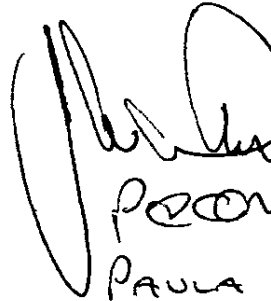
By

EXECUTION PAGE TO SECURITY AGREEMENT

The Chargors

EXECUTED as a DEED by  
One Stop Car Credit Ltd  
acting by  
a director in the presence of

)  
)  
)

  
POONE.  
PAULA CLARKE

Signature of witness

Name of witness

Address of witness


29 LILAC AVE, CANVEY  
SS8 8BQ

Occupation of witness

ASST COLLECTIONS MANAGER

EXECUTED as a DEED by  
C4C Franchise Ltd  
acting by  
a director in the presence of

)  
)  
)

  
POONE

Signature of witness

Name of witness

as above

Address of witness


as above

Occupation of witness

as above

EXECUTED as a DEED by  
Car Warranty Company Limited  
acting by  
a director in the presence of

)  
)  
)

  
POONE

Signature of witness

Name of witness

as above

Address of witness

as above

Occupation of witness

as above

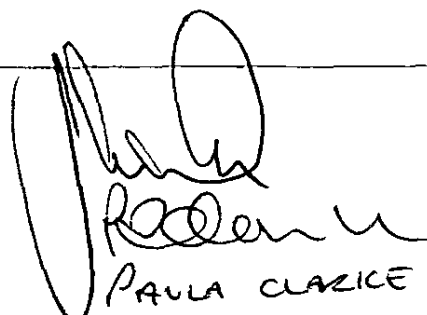
EXECUTED as a DEED by  
Credit 4 Cars Limited  
acting by  
a director in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness

  
PAULA CLARICE  
29 LILAC AVE, CANVEY, SS8 8SQ  
ASST. COLLECTIONS MANAGER

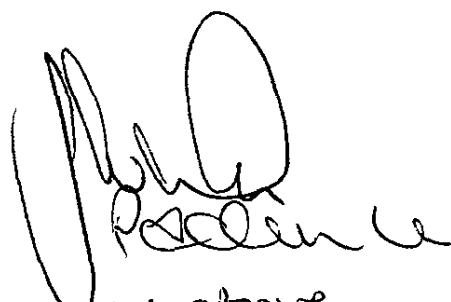
EXECUTED as a DEED by  
Credit Car Sales Ltd  
a director in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness

  
as above  
as above  
as above

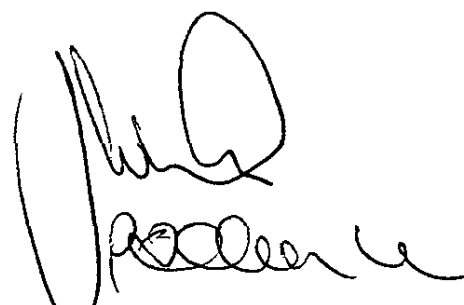
EXECUTED as a DEED by  
OSCC (One) Ltd  
acting by  
a director in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness

  
as above  
as above  
as above

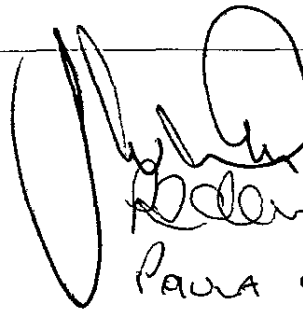
EXECUTED as a DEED by  
OSCC (Two) Ltd  
acting by  
a director in the presence of

Signature of witness

Name of witness

Address of witness

Occupation of witness

  
PAULA CLARKE

29 LILAC AVE, CANVEY, SS882  
ASST. COLLECTIONS MANAGER

**The Lender**

Fidor Bank AG

By