

MR01

Particulars of a charge

230568/13



A fee is payable with this form.
Please see 'How to pay' on the
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You can use the WebFiling
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☒ **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 MR08



A13 *A3244LMR* 20/02/2014 #177
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

1 Company details

Company number 07433030

Company name in full Montagu (Funding IV) Limited

(the "Charging Company")

2 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 01/02/2014

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 Lloyds Bank plc, 10 Gresham Street, London EC2V 7AE (in its

capacity as Lender as defined in Section 4 of this Form MR01)

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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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

Terms defined in the debenture registered by virtue of this Form MR01 shall have the same meanings when used in this Form MR01, and in addition

"Charging Date" means 14 February 2014, and

"Lender" means Lloyds Bank plc and when the context permits or requires, includes any transferee or assignee permitted by clause 27 (*Assignments and transfers*) of the Amended and Restated Facility Agreement but only for so long as it has any rights or obligations under any Finance Document

The Charging Company, with full title guarantee, as security for the payment or discharge of all Secured Sums, charges to the Lender by way of fixed charge

- (i) all Land which is at the Charging Date, or in the future becomes, its property,

Please also see attached continuation pages

5

Fixed charge or fixed security

Does the instrument include a fixed 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 chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

MR01 - continuation page

Particulars of a charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Description

- (ii) all Intellectual Property belonging to it at the Charging Date, including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others, and
- (iii) all Intellectual Property that may be acquired by or belong to it in the future, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others

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Particulars of a charge

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Trustee statement ①

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

☐

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

9

Signature

Please sign the form here

Signature

Signature

X *Hogan Louis International LLP.* X

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

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name F3/MJC/AGJCS

Company name Hogan Lovells International LLP

Address Atlantic House

Holborn Viaduct

Post town London

County/Region

Postcode E C 1 A 2 F G

Country United Kingdom

DX 57 London Chancery Lane

Telephone +44 (20) 7296 2000



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 or email 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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7433030

Charge code: 0743 3030 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th February 2014 and created by MONTAGU (FUNDING IV) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th February 2014

OK

Given at Companies House, Cardiff on 21st February 2014



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED

14 February

2014

MONTAGU (FUNDING IV) LIMITED
(as Chargor)

- and -

LLOYDS BANK PLC
(as Lender)

EXECUTION VERSION

DEBENTURE

Save for material redacted pursuant to s859G of the
Companies Act 2006, we hereby certify that this is a
true copy of the composite original

Signed. Hogan Lovells International LLP.

Dated 19 February 2014

Hogan Lovells International LLP
Atlantic House
Holborn Viaduct
London EC1A 2FG



Ref F3/MJC/AGJCS/3689923
0143L 04818

Hogan Lovells International LLP, Atlantic House, Holborn Viaduct, London EC1A 2FG

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THIS DEBENTURE IS made on

14 February

2014

BETWEEN

- (1) MONTAGU (FUNDING IV) LIMITED, a limited liability company incorporated in England and Wales with registered number 7433030 (the "Chargor"), and
- (2) LLOYDS BANK PLC (the "Lender")

WITNESSES AS FOLLOWS

1 DEFINITIONS AND INTERPRETATION

- 1.1 **Definitions** Unless the context otherwise requires, words or expressions defined in the Amended and Restated Facility Agreement shall have the same meanings in this Debenture and this construction shall survive the termination of the Amended and Restated Facility Agreement. In addition, in this Debenture

"Act" means the Companies Act 2006

"Amended and Restated Facility Agreement" means the revolving credit facility agreement dated 18 February 2011 and made between, amongst others, the Chargor as the borrower and the Lender as the lender, as amended and restated pursuant to the Amendment and Restatement Agreement

"Amendment and Restatement Agreement" means the amendment and restatement agreement in respect of the Amended and Restated Facility Agreement dated on or about the date of this Debenture and made between, amongst others, the Chargor as the borrower and the Lender as the lender

"Assets" means in relation to the Chargor, all its undertaking, property, assets, revenues and rights of every description, or any part of them

"Derivative Rights" includes

- (a) allotments, rights, money or property arising at any time in relation to any Investments by way of conversion, exchange, redemption, bonus, preference, option or otherwise,
- (b) dividends, distributions, interest and other income paid or payable in relation to any Investments, and
- (c) stock, shares and securities offered in addition to or in substitution for any Investments

"Finance Documents" means the Amendment and Restatement Agreement, the Amended and Restated Facility Agreement, the Facility Amendment Deed, the Security Documents, the Partnership Guarantee, the Powers of Attorney, any Compliance Certificate, any Utilisation Request and any other document designated as a "Finance Document" by the Lender and the Chargor

"Financial Collateral" in relation to the Chargor, means any of its Assets comprising financial collateral within the meaning of the Financial Collateral Regulations

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003, as amended

"Fixed Security Asset" means an Asset for the time being subject to a mortgage or fixed charge created by Clause 3 1 (*Fixed Security*) or arising on crystallisation of a floating charge whether under Clause 4 (*Crystallisation*) or otherwise

"Floating Charge Asset" means an Asset for the time being comprised within the floating charge created by Clause 3 2 (*Creation of Floating Charge*) but, in relation to Assets situated in Scotland and charged by Clause 3 2(b) only in so far as concerns the floating charge over that Asset

"Insurance Policy" means any contract or policy of insurance of the Chargor (including all cover notes) of whatever nature which are from time to time taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest at any time excluding, in each case, contracts or policies of insurance which relate to liabilities to third parties

"Intellectual Property" means patents (including supplementary protection certificates), utility models, registered and unregistered trade marks (including service marks), rights in passing off, copyright, database rights, registered and unregistered rights in designs (including in relation to semiconductor products) anywhere in the world and, in each case, any extensions and renewals of, and any applications for, such rights

"Intellectual Property Rights" in relation to the Chargor, means all and any of its Intellectual Property and all other intellectual property rights, causes of action, interests and assets charged by it pursuant to paragraphs (xi) to (xv) inclusive of Clause 3 1 (*Fixed Security*)

"Investments" means all shares, stock, debentures, debenture stock, bonds and other investments (as listed in Schedule 2, Part II of the Financial Services and Markets Act 2000), whether certificated or uncertificated and whether in registered or bearer form, including all depository interests representing any of them and including all rights and benefits of a capital nature accruing at any time in respect of any Investments by way of redemption, repayment, substitution, exchange, bonus or preference, option, rights or otherwise

"Land" means freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade and tenant's fixtures)

"Liability" means any liability, damage, loss, costs, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise

"Party" means a party to this Debenture

"Receivables" in relation to the Chargor, means all sums of money receivable by it at any time consisting of or payable under or derived from any Asset described in Clause 3 1 (*Fixed Security*)

"Receiver" means a receiver or receiver and manager appointed under Clause 15 (*Appointment of a Receiver or an Administrator*) including (where the context requires or permits) any substituted receiver and manager

"Secured Sums" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargor to the Lender under each or any of the Finance Documents, in each case together with (without double counting)

- (a) all costs, charges and expenses incurred by the Lender in connection with the protection, preservation or enforcement of its rights under any Finance Document, and
- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Finance Document or the obligations and liabilities imposed under such documents

"Specified Investments" means, in relation to the Chargor, all Investments which at any time

- (a) represent a holding in a Subsidiary of the Chargor or an undertaking which would be its subsidiary undertaking if in section 1162(2)(a) of the Act "30 per cent or more" were substituted for "a majority",
- (b) are held in the name of the Lender or its nominee or to its order, or
- (c) the Chargor has deposited certificates for with the Lender or which, if uncertificated, are held in an escrow or other account in favour of the Lender or its nominee

1 2 Interpretation Unless the context otherwise requires, the interpretative provisions set out in the paragraphs below shall apply in this Debenture

- (a) References to any Party shall be construed so as to include that Party's respective successors in title, permitted assigns and permitted transferees
- (b) **"Including"** and **"in particular"** shall not be construed restrictively but shall mean respectively "including, without prejudice to the generality of the foregoing" and "in particular, but without prejudice to the generality of the foregoing"
- (c) A **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, joint venture, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing
- (d) **"Property"** includes any interest (legal or equitable) in real or personal property and any thing in action
- (e) **"Variation"** includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and **"vary"** and **"varied"** shall be construed accordingly
- (f) **"Writing"** includes facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Debenture to be signed and **"written"** has a corresponding meaning
- (g) Subject to Clause 28 4 (*Variations*), references to this Debenture or to any other document (including any Finance Document) include references to this Debenture or such other document as varied in any manner from time to time, even if changes are made to the composition of the parties to this Debenture or such other document or to the nature or amount of any facilities (including, for the avoidance of doubt, any increase in facilities) made available under such other document
- (h) The singular shall include the plural and vice versa and any gender shall include the other genders

- (i) Clauses, paragraphs and Schedules shall be construed as references to Clauses and paragraphs of, and Schedules to, this Debenture
- (j) Any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances
- (k) Headings in this Debenture are inserted for convenience and shall not affect its interpretation

1 3 **Conflict of terms** If any conflict arises between the covenants and undertakings in Clause 11 (*Land*) and the covenants and undertakings in clause 23 (*General Undertakings*) of the Amended and Restated Facility Agreement, the covenants and undertakings given in the Amended and Restated Facility Agreement shall prevail

2 COVENANT TO PAY

2 1 **Covenant to pay.** The Chargor (as primary obligor and not merely as surety) covenants with the Lender that it will, on the Lender's written demand, pay or discharge the Secured Sums at the times and in the manner provided in the relevant Finance Documents

2 2 **Proviso** The covenants contained in this Clause and the security created by this Debenture shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law

2 3 Demands.

- (a) The making of one demand shall not preclude the Lender from making any further demands
- (b) Any third party dealing with the Lender or any Receiver shall not be concerned to see or enquire as to the validity of any demand under this Debenture

3 CREATION OF SECURITY

3 1 **Fixed Security** The Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, charges to the Lender by way of fixed charge

- (i) all other Land which is now, or in the future becomes, its property,
- (ii) all interests and rights in or relating to Land or the proceeds of sale of Land now or in the future belonging to it,
- (iii) all plant and machinery now or in the future attached to any Land which, or an interest in which, is charged by it under the preceding provisions of this Clause 3 1,
- (iv) all rental and other income and all debts and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to Land,
- (v) all Specified Investments which are now its property, including all proceeds of sale derived from them,
- (vi) all Specified Investments in which the Chargor may in the future acquire any interest (legal or equitable), including all proceeds of sale derived from them,

- (vii) all Derivative Rights of a capital nature now or in the future accruing or offered in respect of its Specified Investments,
- (viii) all Derivative Rights of an income nature now or in the future accruing or offered at any time in respect of its Specified Investments,
- (ix) all insurance or assurance contracts or policies now or in the future held by or otherwise benefiting it which relate to Fixed Security Assets or which are now or in the future deposited by it with the Lender, together with all its rights and interests in such contracts and policies (including the benefit of all claims arising and all money payable under them) apart from any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) in this Debenture (and excluding contracts or policies of insurance which relate to liabilities to third parties),
- (x) all its goodwill and uncalled capital for the time being,
- (xi) all Intellectual Property presently belonging to it, including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others,
- (xii) all Intellectual Property that may be acquired by or belong to it in the future, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others,
- (xiii) the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world,
- (xiv) all its rights now or in the future in relation to trade secrets, confidential information and knowhow in any part of the world,
- (xv) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in sub-paragraphs (xi) to (xv) inclusive of this Clause,
- (xvi) all trade debts now or in the future owing to it,
- (xvii) all other debts now or in the future owing to it, excluding those arising on fluctuating accounts with other members of the Group,
- (xviii) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Security Asset,
- (xix) all its interests and rights (if any) in or to any money at any time standing to the credit of any bank account,
- (xx) any beneficial interest, claim or entitlement it has to any pension fund now or in the future,
- (xxi) all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Security Asset except to the extent that such rights, money or property are for the time being effectively assigned or charged by fixed charge under the foregoing provisions of this Debenture, and

- (xxii) the benefit of all licences, consents and authorisations held in connection with its business or the use of any Asset and the right to recover and receive all compensation which may be payable in respect of them

3 2 Creation of floating charge The Chargor, with full title guarantee, charges to the Lender as security for the payment or discharge of all Secured Sums, by way of floating charge

- (a) all its Assets, except to the extent that such Assets are for the time being charged by any fixed charge contained in Clause 3 1 (*Fixed Security*), including any Assets comprised within a charge which is reconverted under Clause 4 4 (*Reconversion*), and
- (b) without exception, all its Assets in so far as they are for the time being situated in Scotland,

but in each case so that the Chargor shall not create any Security over any such Floating Charge Asset (whether having priority over, or ranking *par passu* with or subject to, this floating charge) or take any other step referred to in Clause 7 (*Negative pledge and other restrictions*) with respect to any such Floating Charge Asset, and the Chargor shall not, without the consent of the Lender, sell, transfer, part with or dispose of any such Floating Charge Asset (save in respect of any of the above to the extent that such action is not prohibited by any Finance Document)

3 3 Priority

- (a) Any fixed Security created by the Chargor and subsisting in favour of the Lender shall (save as the Lender may otherwise declare at or after the time of its creation) have priority over the floating charge created by Clause 3 2 (*Creation of floating charge*)
- (b) Save for Permitted Security under paragraph (a) of that definition, any Security created in the future by the Chargor (except in favour of the Lender) shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created by this Debenture

3 4 Application to the Land Registry: The Chargor

- (a) in relation to each register of title of any present and future Land of the Chargor which is charged to the Lender under this Debenture or pursuant to Clause 9 (*Further Assurance*), consents to the Lender (or its solicitors) at any time submitting to the Land Registry any and all of the following, at any time
 - (i) a form AP1 (*application to change the register*) in respect of the security created by this Debenture,
 - (ii) a form AN1 (*application to enter an agreed notice*) in respect of the security created by this Debenture,
 - (iii) a Form RX1 (*application to register a restriction*) in the following terms

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [Chargee] referred to on the charges register or their conveyancer ", and
 - (iv) a Form CH2 (*application to enter an obligation to make further advances*), and

- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by Clause 3 1 (*Fixed Security*) at its own expense, immediately following its execution of this Debenture

4 CRYSTALLISATION

4 1 **Crystallisation by notice** The floating charge created by the Chargor in Clause 3 2 (*Creation of floating charge*) may, subject to Clause 4 5 (*Moratorium Assets*), be crystallised into a fixed charge by notice in writing given at any time by the Lender to the Chargor if

- (a) the Chargor has failed to pay any sum due under a Finance Document on its due date (taking into account any applicable grace period),
- (b) the Lender in good faith considers that any of the circumstances in clause 25 2(d) (*Insolvency*) or clause 25 2(e) (*Insolvency Proceedings*) of the Amended and Restated Facility Agreement have occurred and are continuing in relation to the Chargor, or
- (c) the Lender in good faith considers that any of the Assets expressed to be charged to the Lender by this Debenture may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process, or
- (d) a circumstance envisaged by paragraph (a) of Clause 4 2 (*Automatic Crystallisation*) occurs and the Lender in good faith considers that such crystallisation is desirable in order to protect the priority of its security

Such crystallisation shall take effect over the Floating Charge Assets or class of Assets specified in the notice. If no Floating Charge Assets are specified, it shall take effect over all Floating Charge Assets of the Chargor.

4 2 **Automatic crystallisation:** If, without the Lender's prior written consent

- (a) the Chargor, in contravention of any Finance Document, resolves to take or takes any step to
 - (i) charge or otherwise encumber any of its Floating Charge Assets (other than any Permitted Security),
 - (ii) create a trust over any of its Floating Charge Assets, or
 - (iii) dispose of any Floating Charge Asset (except to the extent that such disposal is not otherwise prohibited by any Finance Document), or
- (b) any person resolves to take or takes any step to seize or sell any Floating Charge Asset pursuant to any form of legal process, or
- (c) any of the circumstances in clause 25 2(d) (*Insolvency*) or clause 25 2(e) (*Insolvency Proceedings*) of the Amended and Restated Facility Agreement has occurred,

then the floating charge created by Clause 3 2 (*Creation of floating charge*) shall, subject to Clause 4 5 (*Moratorium Assets*), be automatically and instantly crystallised (without the necessity of notice) into a fixed charge over such Floating Charge Asset or, in the case of paragraph (c) above into a fixed charge over all Floating Charge Assets of the Chargor.

4 3 **Future Floating Charge Assets** Except as otherwise stated in any notice given under Clause 4 1 (*Crystallisation by notice*) or unless the crystallisation relates to all its Floating

Charge Assets, prospective Floating Charge Assets acquired by the Chargor after crystallisation has occurred under Clause 4 1 (*Crystallisation by notice*) or 4 2 (*Automatic crystallisation*) shall become subject to the floating charge created by Clause 3 2 (*Creation of floating charge*), so that the crystallisation shall be effective only as to the specific Floating Charge Assets affected by the crystallisation

4 4 **Reconversion** Any charge which has crystallised under Clause 4 1 (*Crystallisation by notice*) or 4 2 (*Automatic crystallisation*) may, by notice in writing given at any time by the Lender to the Chargor, be reconverted into a floating charge in relation to the Assets specified in such notice

4 5 **Moratorium Assets** The floating charge created by the Chargor in Clause 3 2 (*Creation of floating charge*) may not be converted into a fixed charge on Assets for which a moratorium is in force if and for so long as such conversion would breach paragraph 13 and/or paragraph 43 in Schedule A1 of the Insolvency Act 1986

5 TITLE DOCUMENTS, INSURANCE POLICIES AND TRANSFERS

5 1 **Documents** Subject to the rights of any prior chargee, if requested by the Lender, the Chargor shall deposit with the Lender, and the Lender shall be entitled to retain during the continuance of the security created by this Debenture, all deeds and documents of title relating to all its Fixed Security Assets, including certificates of registration and certificates constituting or evidencing Specified Investments

5 2 Insurance

(a) The Chargor shall

- (i) maintain at all times insurance policies (if any) which are sufficient and appropriate and comply with the material terms of all such insurance policies, including any stipulations or restrictions as to use or operation of any asset, and shall not do or permit anything which may make any insurance policy void or voidable to the extent that such action or failure to take such action would have a Material Adverse Effect, and
- (ii) make notifications to insurers of any claims or prospective claims in accordance with the provisions of the relevant insurance policy and diligently pursue the making of recoveries from insurers

(b) The Chargor shall

- (i) use reasonable endeavours to procure that the Lender be shown as the loss payee on the face of all its insurance policies in such form as the Lender may require (acting reasonably),
- (ii) make all premium and other payments necessary for effecting or maintaining such insurances and promptly on demand shall produce to the Lender the receipts of such payments, save where failure to do so would not be reasonably likely to have a Material Adverse Effect, and
- (iii) if so required by the Lender, use its reasonable endeavours to cause the policies of insurance maintained by it as required by this Clause to be forthwith amended to include clauses in form satisfactory to the Lender to ensure that the policies shall not be voidable by the insurers as a result of any misrepresentation, non-disclosure of material facts or breach of warranty provided that in each case there shall have been no fraud or wilful deceit on the part of the insured

- (c) If any default shall at any time be made in effecting or maintaining insurance required by this Clause or in producing any payment receipt to the Lender on demand or depositing any policy with the Lender pursuant to this Debenture, the Lender may take out or renew such insurances in such sums as the Lender may think expedient (acting reasonably) and all money expended by the Lender under this provision shall be recoverable by the Lender under Clause 22 (*Costs, expenses and liabilities*)

6 COLLECTION OF RECEIVABLES

The Chargor shall collect and realise all its Receivables and, immediately on receipt, pay all money so collected into an account specified from time to time by the Lender in consultation with the Chargor. The Chargor shall, pending such payment, hold all money so received upon trust for the Lender.

7 NEGATIVE PLEDGE AND OTHER RESTRICTIONS

The Chargor shall not, without the prior written consent of the Lender (and save as permitted by the Finance Documents)

- (a) create, or agree or attempt to create, or permit to subsist, any Security or any trust over any of its Assets, or
- (b) sell, assign, lease, license or sub-license, or grant any interest in, any of its Fixed Security Assets, or part with possession or ownership of them, or purport or agree to do so

8 RIGHT OF APPROPRIATION

8.1 Financial Collateral Arrangement The Parties acknowledge and intend that the charges over the Chargor's Financial Collateral provided under or pursuant to this Debenture will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations.

8.2 Right of Appropriation The Lender may, on or at any time after the security constituted by this Debenture becomes enforceable, by notice in writing to the Chargor appropriate with immediate effect all or any of its Financial Collateral hereby charged which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Sums, whether such Assets are held by the Lender or otherwise.

8.3 Value The value of any Financial Collateral appropriated under Clause 8.2 shall be

- (a) in the case of cash, its face value at the time of appropriation, and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Lender (acting reasonably) by reference to a public index or other applicable generally recognised source or such other process as the Lender may select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Lender,

as converted, where necessary, into euro at a market rate of exchange prevailing at the time of appropriation selected by the Lender.

8.4 Surplus or Shortfall. The Lender will account to the Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Sums and the Chargor shall remain liable to the Lender for any amount by which the value of the appropriated Assets is less than the Secured Sums.

- 8 5 **Confirmation** The Chargor agrees that the method of valuing such Financial Collateral under Clause 8 3 is commercially reasonable

9 **FURTHER ASSURANCE**

- (a) The Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices, forms and instructions) as the Lender may specify (acting reasonably) and in such form as the Lender may require (acting reasonably) (in favour of the Lender or its nominee(s)) in order to
- (i) perfect or protect the Security created or intended to be created by this Debenture (which may include the execution of a mortgage, charge, assignment, transfer, notice, instruction or other Security over all or any of the Assets which are, or are intended to be, the subject of the Security constituted by this Debenture) or for the exercise of any rights, powers and remedies of the Lender provided by this Debenture or by law, provided that the Chargor shall not be obliged to deliver documents of title or stock transfer forms in relation to Investments prior to the security constituted by this Debenture becoming enforceable,
 - (ii) confer on the Lender, Security over any Assets of the Chargor located in any jurisdiction outside England and Wales which is (to the extent permitted by local law) equivalent or similar to the Security intended to be conferred by or pursuant to this Debenture, and/or
 - (iii) facilitate the realisation of the Assets subject to the Security conferred or intended to be conferred by this Debenture or the exercise of any rights vested in the Lender, any Receiver, Administrator or nominee, including executing any transfer, conveyance, charge, assignment or assurance of all or any of the Assets which are the subject of the Security constituted by this Debenture, making any registration and giving any notice, order or instructions
- (b) The 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 Debenture. Without prejudice to the generality of this Clause 9, at the request of the Lender the Chargor will promptly execute a legal mortgage, charge or assignment over any of the Assets subject to or intended to be subject to any fixed security created by this Debenture in favour of the Lender in such form as the Lender may require (acting reasonably)
- (c) **Authorisations** Without prejudice to the Chargor's obligations under any Finance Document, the Chargor irrevocably authorises the Lender to effect such registrations, renewals, payments and notifications or carry out such acts or things at the expense of the Chargor as shall, in the reasonable opinion of the Lender, be necessary or prudent to protect the Lender's interests in relation to the Intellectual Property Rights or to protect or maintain the Intellectual Property Rights or any of them. The Chargor shall give the Lender all such reasonable assistance as it may request

10 **CONTINUING SECURITY**

This Debenture shall be a continuing security for the Lender, notwithstanding any intermediate payment or settlement of accounts or other matter whatever, and shall be in

addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien or other rights exercisable by the Lender as banker against the Chargor or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by the Lender

11 **LAND**

11.1 **Positive Covenants** The Chargor covenants that it shall

- (a) **Compliance with lease** punctually pay the rents reserved by and observe and perform in all material respects the other material covenants, agreements or obligations on its part to be observed and performed by it which are contained in any lease, agreement for lease, tenancy agreement or licence to occupy relating to any Land and enforce the observance and performance by the landlord or licensor of its material obligations under any such document,
- (b) **Notices, orders and proposals** supply to the Lender copies of any notice, order or proposal affecting its Land which may be materially adverse to the interests of the Lender
 - (i) within 10 Business Days of receipt where it is received from any competent authority or tenant, and
 - (ii) within 10 Business Days of receipt where it is received from any landlord,and at its cost either punctually comply with such notice or order or (if so requested by the Lender (acting reasonably)) make or join with the Lender in making such objections or representations or taking such other steps as the Lender (acting reasonably) may think fit
- (c) **Acquisitions** notify the Lender promptly upon its acquisition of any Land, and
- (d) **Access to Land.** permit the Lender (but without the Lender being under any obligation to do so) to
 - (i) inspect, at reasonable times and on reasonable notice, any of its Land, and
 - (ii) enter upon all or any of its Land to effect such repairs as the Lender may consider necessary, without becoming liable as a mortgagee in possession

11.2 **Negative covenants** The Chargor shall not without the prior written consent of the Lender

- (a) **No building:** save in the ordinary course of business, carry out any building work on its Land, or make any material structural alteration to any building on its Land, or apply for any planning consent for the development or change of use of its Land, or at any time sever, remove or dispose of any fixture on it in each case if any such action would be reasonably likely to materially adversely affect the value of such Land,
- (b) **No onerous obligations:** enter into any onerous or restrictive obligation affecting its Land or create or permit to arise any overriding interest or any easement or right whatever in or over it which would be reasonably likely to materially affect adversely its value or the value of the Security constituted by this Debenture over it,

- (c) **No leasing:** exercise any power of leasing in relation to its Land, or accept surrenders of leases of its any Land or agree to do so if any such action would be reasonably likely to materially adversely affect the value of such Land,
 - (d) **No lease extensions** extend, renew on substantially different terms or substantially vary any lease or tenancy agreement or give any licence to assign or underlet in relation to its Land to the extent that it would be reasonably likely to materially adversely affect its value or the value of the Security constituted by this Debenture,
 - (e) **No elections** make any election to waive the exemption under paragraph 2 of Schedule 10 of the Value Added Tax Act 1994 in its capacity as landlord of any such Land to the extent that it would be reasonably likely to materially adversely affect its value or the value of the Security constituted by this Debenture,
 - (f) **Possession** part with possession of its Land (except on the determination of any lease, tenancy or licence granted to it) or except as expressly permitted by the terms of the Finance Documents, or
 - (g) **No sharing** share the occupation of any Land with any other person or agree to do so to the extent that it would be reasonably likely to materially adversely affect its value or the value of the Security constituted by this Debenture
- 11 3 **Consolidation of Mortgages** Section 93 of the Law of Property Act 1925, dealing with the consolidation of mortgages, shall not apply to this Debenture
- 12 **SPECIFIED INVESTMENTS**
- 12 1 **Before Enforcement** Unless and until the Security constituted by this Debenture has become enforceable
- (a) all voting powers and rights attaching to Specified Investments belonging to the Chargor shall continue to be exercised by the Chargor for so long as it remains their registered owner and the Chargor shall not permit any person other than the Chargor, the Lender or the Lender's nominee to be registered as holder of such Specified Investments or any part of them, and
 - (b) if Specified Investments belonging to the Chargor are registered in the name of the Lender or the Lender's nominee, all voting powers and rights attaching to them shall be exercised by the Lender or the Lender's nominee in accordance with instructions in writing from time to time received from the Chargor and, in the absence of any such instructions, the Lender or the Lender's nominee shall not exercise any such rights
- 12 2 **After Enforcement** At any time after the Security constituted by this Debenture has become enforceable
- (a) the Lender may, for the purpose of protecting its interests in relation to the Secured Sums, exercise (but is not obliged to exercise) in the name of the Chargor or otherwise and without any further consent or authority on the part of the Chargor, all voting powers and rights attaching to the Specified Investments as it sees fit, including any rights to nominate or remove a director, as if the Lender were the sole beneficial owner of the Specified Investments,
 - (b) all Derivative Rights shall, if received by the Chargor or the Lender's nominee, be held on trust for and forthwith paid or transferred to the Lender, and

- (c) the Chargor shall accept short notice for and attend any shareholders meetings relating to the Specified Investments, appoint proxies and exercise voting and other rights and powers exercisable by the holders of the Specified Investments as the Lender may direct from time to time as it sees fit for the purpose of protecting its interests in relation to the Secured Sums

For the avoidance of doubt, unless and until the Lender takes any steps to exercise any voting powers or rights attaching to the Specified Investments after becoming entitled (but not obliged) to do so under this Clause, all such powers and rights remain with the Chargor

13 OPENING OF NEW ACCOUNTS

- 13.1 **Creation of new account** On receiving notice that the Chargor has granted Security over or otherwise encumbered or disposed of any of its Assets in contravention of any Finance Document, the Lender may rule off all its accounts and open new accounts with the Chargor
- 13.2 **Credits to new account** If the Lender does not open a new account immediately on receipt of such notice, it shall nevertheless be treated as if it had done so on that day. From that day, all payments made by the Chargor to the Lender shall be treated as having been credited to a new account and shall not operate to reduce the amount owing from the Chargor to the Lender at the time when it received such notice

14 POWERS OF SALE, LEASING AND ACCEPTING SURRENDERS

- 14.1 **Section 103 of the LPA** Section 103 of the Law of Property Act 1925 shall not apply to this Debenture, and the statutory power of sale shall arise on, and be exercisable at any time after, the execution of this Debenture. However, the Lender shall not exercise such power of sale until this Debenture has become enforceable
- 14.2 **Powers of sale extended.** The statutory powers of sale, leasing and accepting surrenders exercisable by the Lender by virtue of this Debenture are extended so as to authorise the Lender (whether in its own name or that of the Chargor) to
 - (a) grant a lease of any Land vested in the Chargor or in which it has an interest on such terms and conditions as the Lender shall think fit (acting reasonably), and
 - (b) sever any fixtures from Land vested in the Chargor and sell them separately

15 APPOINTMENT OF A RECEIVER OR AN ADMINISTRATOR

- 15.1 **Appointment** Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Debenture and the floating charges contained in this Debenture. At any time after
 - (a) the Chargor fails to pay any sum when due under any Finance Document (including, without limitation, any sum demanded or called for pursuant to clause 26 (*Termination*) of the Amended and Restated Facility Agreement) on its due date (taking into account any applicable grace period),
 - (b) any other circumstances or event occurs or arises which has or which will have a Material Adverse Effect,
 - (c) any of the circumstances described in clause 25.2(d) (*Insolvency*), clause 25.2(e) (*Insolvency proceedings*) or clause 25.2(f) (*Creditors' process*) of the Amended and Restated Facility Agreement have occurred,
 - (d) a step or proceeding is taken in relation to the Chargor with a view to seeking a moratorium, or

- (e) a request has been made by the Chargor to the Lender for the appointment of a Receiver or an administrator over its Assets,

then the Security constituted by this Debenture shall become enforceable and, notwithstanding the terms of any other agreement between the Chargor and the Lender, the Lender may (unless precluded by law) appoint in writing any person or persons to be a receiver or receiver and manager or receivers or receivers and managers of all or any part of the Assets of the Chargor or, an administrator or administrators of the Chargor, as the Lender may choose in its entire discretion

- 15 2 **Power to act separately** Where more than one Receiver or administrator is appointed, the appointees shall have power to act separately unless the Lender shall specify to the contrary

- 15 3 **Receiver's remuneration** The Lender may from time to time determine the remuneration of a Receiver

- 15 4 **Removal of Receiver.** The Lender may (subject to section 45 of the Insolvency Act 1986) remove a Receiver from all or any of the Assets of which he is the Receiver

- 15 5 **Further appointments of a Receiver** Such an appointment of a Receiver shall not preclude

- (a) the Lender from making any subsequent appointment of a Receiver over all or any Assets over which a Receiver has not previously been appointed or has ceased to act, or
- (b) the appointment of an additional Receiver to act while the first Receiver continues to act

- 15 6 **Receiver's agency** The Receiver shall be the agent of the Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until the Chargor goes into liquidation, after which time he shall act as principal and shall not become the agent of the Lender

16 **POWERS OF A RECEIVER**

The Receiver may exercise, in relation to the Chargor over whose Assets he is appointed, all the powers, rights and discretions set out in Schedules 1 and 2 to the Insolvency Act 1986 and in particular, by way of addition to and without limiting such powers, the Receiver may, with or without the concurrence of others

- (a) sell, lease, let, license, grant options over and vary the terms of, terminate or accept surrenders of leases, licences or tenancies of, all or any of the Assets of the Chargor, without the need to observe any of the provisions of Sections 99 and 100 of the Law of Property Act 1925, in such manner and generally on such terms and conditions as he shall think fit in his absolute and unfettered discretion and any such sale or disposition may be for cash, Investments or other valuable consideration (in each case payable in a lump sum or by instalments) and carry any such transactions into effect in the name of and on behalf of the Chargor,
- (b) promote the formation of a Subsidiary of the Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Assets of the Chargor,
- (c) sever any fixtures from Land and/or sell them separately,
- (d) exercise all voting and other rights attaching to Investments owned by the Chargor,

- (e) arrange for the purchase, lease, licence or acquisition of all or any Assets of the Chargor by any Subsidiary contemplated by paragraph (b) above on a basis whereby the consideration may be for cash, Investments, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise, whether or not secured on the assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or by instalments over such period as the Receiver may think fit,
- (f) make any arrangement or compromise with the Lender or others as he shall think fit,
- (g) make and effect all repairs, renewals and improvements to the Assets of the Chargor and effect, renew or increase insurances on such terms and against such risks as he shall think fit,
- (h) appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may determine,
- (i) redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed an expense properly incurred by the Receiver,
- (j) pay the proper administrative charges of the Lender in respect of time spent by their agents and employees in dealing with matters raised by the Receiver or relating to the receivership of the Chargor,
- (k) commence and/or complete any building operations upon any Land of the Chargor and apply for and obtain any planning permissions, building regulation consents or licences, in each case as he may in his absolute discretion think fit,
- (l) take all steps necessary to effect all registrations, renewals, applications and notifications as the Receiver may in his discretion think prudent to maintain in force or protect any of the Chargor's Intellectual Property Rights, and
- (m) do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the relevant Assets

17 POWER OF ATTORNEY

17.1 **Appointment of attorney** The Chargor, by way of security and to more fully secure the performance of its obligations under this Debenture, hereby irrevocably appoints the Lender (whether or not a Receiver or administrator has been appointed) and separately any nominee and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise to

- (a) do anything which the Chargor is obliged to do (but has not done) in accordance with this Debenture, including to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document, and
- (b) enable the Lender or any such nominee and/or Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Debenture or by statute in relation to this Debenture or the Assets charged, or purported to be charged, by it

17 2 **Ratification** The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to his appointment under this clause

17 3 **Sums recoverable** All sums expended by the Lender nominee and/or any Receiver under this Clause 17 shall be recoverable from the Chargor under Clause 22 (*Costs, expenses and liabilities*)

18 **OTHER POWERS EXERCISABLE BY THE LENDER**

18 1 **Receiver's powers** All powers of a Receiver conferred by this Debenture may be exercised by the Lender after the Security constituted by this Debenture has become enforceable. In that event, paragraph (j) of Clause 16 (*Powers of Receiver*) shall be read and construed as if the words "be charged on the Assets of the Chargor" were substituted for the words "be deemed an expense properly incurred by the Receiver"

18 2 **Receipt of debts** The Lender, its nominee or any manager, officer or agent of the Lender is hereby irrevocably empowered to, after the Security constituted by this Debenture has become enforceable

- (a) receive all trade debts and other debts and claims which may be assigned to the Lender pursuant to this Debenture and/or Clause 9 (*Further assurance*),
- (b) on payment give an effectual discharge for them and on non-payment to take and institute (if the Lender in its sole discretion so decides) all steps and proceedings either in the name of the Chargor or in the name of the Lender for their recovery, and
- (c) agree accounts and make allowances and give time to any surety

The Chargor ratifies and confirms whatever the Lender or any manager or officer of the Lender shall do or purport to do under this clause

18 3 **Lender's powers** The Lender shall have no liability or responsibility to the Chargor arising out of the exercise or non-exercise of the powers conferred on it by this Clause 18, except for gross negligence or wilful default

18 4 **No duty of enquiry** The Lender need not enquire as to the sufficiency of any sums received by it in respect of any debt or claim or make any claim or take any other action to collect in or enforce them

19 **APPLICATION OF MONEY RECEIVED BY THE LENDER OR A RECEIVER**

19 1 **Order of priority** Any money received or realised under the powers conferred by this Debenture shall be paid or applied in the following order of priority, subject to the discharge of any prior-ranking claims

- (a) in discharging any sums owing to any Receiver or any administrator,
- (b) in payment of all costs and expenses incurred by the Lender in connection with any realisation or enforcement of this Debenture,
- (c) in or towards satisfaction of the Secured Sums in the manner applicable under the terms of the Amended and Restated Facility Agreement, and
- (d) as to the surplus (if any), to the person or persons entitled to it

19 2 **Suspense account** Until all the Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Lender may place and keep to the credit of a suspense account any money received from or realised in respect of the Chargor's liability

under this Debenture. The Lender shall have no intermediate obligation to apply such money in or towards the discharge of any of the Secured Sums. Amounts standing to the credit of any such suspense account shall bear interest at a rate considered by the Lender in good faith to be a fair market rate.

- 19.3 **Discretion to apply:** Until all Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Lender may refrain from applying or enforcing any other moneys, security or rights held by it in respect of the Secured Sums or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its unfettered discretion.

20 PROTECTION OF THIRD PARTIES

- 20.1 **No duty to enquire** No purchaser from, or other person dealing with, the Lender, its nominee or any Receiver or administrator appointed under this Debenture shall be concerned to enquire whether any of the powers which the Lender has exercised or purported to exercise has arisen or become exercisable, or whether this Debenture has become enforceable, or whether any nominee, Receiver or administrator has been validly appointed, or whether any event or cause has happened to authorise the Lender, any nominee or a Receiver or administrator to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

- 20.2 **Receipt** The receipt of the Lender shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of the Lender.

21 PROTECTION OF THE LENDER, ANY NOMINEE AND RECEIVER

- 21.1 **Limitation** Neither the Lender nor any nominee nor Receiver shall be liable in respect of any Liability which arises out of the exercise or the purported exercise of, or the failure to exercise, any of their respective powers under or by virtue of this Debenture, except if and in so far as such Liability results from its own gross negligence or wilful default.

- 21.2 **Entry into possession** Without prejudice to the generality of Clause 21.1 (*Limitation*), neither the Lender, any nominee nor any Receiver shall be liable to account as mortgagee in possession or otherwise for any sum not actually received by it or him respectively. If and whenever the Lender, or any nominee enters into possession of any Assets, it shall be entitled at any time at its discretion to go out of possession.

22 COSTS, EXPENSES AND LIABILITIES

- 22.1 **Costs and expenses** The Chargor will, within 20 Business Days of the Lender's written demand from time to time, reimburse the Lender for all costs and expenses (including legal fees) on a full indemnity basis, together with VAT thereon, reasonably incurred by it in connection with

- (a) the negotiation, preparation and execution of this Debenture, and
- (b) the completion of the transactions and perfection of the Security contemplated in this Debenture in Clause 9 (*Further Assurance*).

- 22.2 **Enforcement costs** The Chargor will, within 20 Business Days of the Lender's written demand, pay to the Lender, on a full indemnity basis, the amount of all costs and expenses (including legal, valuation, accountancy and consultancy fees and disbursements and out-of-pocket expenses), and any VAT thereon, incurred by the Lender in connection with the exercise, enforcement and/or preservation of any of its

rights under this Debenture (or any of the documents contemplated by such document) or any proceedings instituted by or against the Lender, in any jurisdiction

- 22.3 **Indemnity for Liabilities** The Chargor shall also, within 20 Business Days of the Lender's written demand, reimburse or pay to the Lender, its employees or agents, and any nominee on demand (on the basis of a full indemnity) the amount of all Liabilities incurred by the Lender, its employees or agents, in connection with

- (a) any default or delay by the Chargor in the performance of any of its obligations under this Debenture,
- (b) the exercise, or the attempted or purported exercise, by or on behalf of the Lender of any of its powers or any other action taken by or on behalf of the Lender with a view to or in connection with the recovery of the Secured Sums, the enforcement of the Security created by this Debenture or for any other purpose contemplated in this Debenture,
- (c) the carrying out or consideration of any other act or matter which the Lender may consider to be conducive after the occurrence of an Event of Default to the preservation, improvement or benefit of any Asset, and
- (d) any stamp duty, stamp duty reserve tax or similar tax which may be payable as a result of the execution or performance of this Debenture

23 **INTEREST ON OVERDUE AMOUNTS**

- (a) Any amount not paid in accordance with this Debenture when due shall (subject to paragraph (b) below) carry interest at the rate and in accordance with the terms contained in the relevant Finance Document in relation to overdue sums or at such other rate as may be agreed between the Chargor and the Lender from time to time. In each case, interest shall accrue on a day to day basis until the date of irrevocable and unconditional repayment in full and, if unpaid, shall be compounded on the terms so agreed or (in the absence of such agreed terms) with quarterly rests on the Lender's usual quarterly interest days. Interest shall continue to be charged and compounded on this basis after as well as before any demand or judgment.
- (b) Paragraph (a) above shall not apply to the extent that default interest on such amount for such period is charged pursuant to the relevant Finance Document and itself constitutes part of the Secured Sums.

24 **SET-OFF**

Any time after the Security constituted by this Debenture has become enforceable, the Lender may (but is not obliged to) retain any money standing to the credit of the Chargor with the Lender in any currency upon any account or otherwise (whether or not in the Chargor's name) as cover for any Secured Sums and/or at any time or times without notice to the Chargor combine or consolidate all or any of such money with all or such part of the Secured Sums due or owing by it as the Lender may select and the Lender may purchase with any such money any other currency required to effect such combination or consolidation.

25 **TRANSFER BY THE LENDER**

The Lender may at any time assign and transfer all or any of its rights in relation to this Debenture to any person to whom it is permitted to transfer any of its rights under the relevant Finance Documents or otherwise grant an interest in them to any person.

26 RELEASE OF SECURITY

26 1 Redemption Subject to Clause 26 2 (*Avoidance of Payments*), if all Secured Sums have been unconditionally and irrevocably paid in full and the Lender is not under any further actual or contingent liability to make advance or provide other financial accommodation to any person under any Finance Document, the Lender will (at the request and cost of the Chargor), execute and do all such reasonable acts as may be necessary to release the Assets from the Security constituted by this Debenture. Such release shall not prejudice the rights of the Lender under Clause 22 (*Costs, expenses and liabilities*)

26 2 Avoidance of Payments If the Lender considers in good faith that any amount received in payment or purported payment of the Secured Sums is capable of being avoided or reduced by virtue of any insolvency, bankruptcy, liquidation or other similar laws, the liability of the Chargor under this Debenture and the Security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid

27 THIRD PARTY RIGHTS

27 1 Directly enforceable rights Pursuant to the Contracts (Rights of Third Parties) Act 1999

(a) the provisions of Clause 15 (*Appointment of a Receiver or an Administrator*) to Clause 21 (*Protection of the Lender, any nominee and Receiver*) inclusive shall be directly enforceable by any nominee or Receiver, and

(b) the provisions of Clause 20 (*Protection of third parties*) shall be directly enforceable by any purchaser

27 2 Exclusion of Contracts (Rights of Third Parties) Act 1999 Save as otherwise expressly provided in Clause 27 1 (*Directly enforceable rights*), no person other than a Party shall have any right by virtue of either the Contracts (Rights of Third Parties) Act 1999 or any other provision of English law under which rights might accrue to persons other than a party, to enforce any term (express or implied) of this Debenture

27 3 Rights of the Parties to vary The Parties may by agreement vary any term of this Debenture (including this Clause 27) without the necessity of obtaining any consent from any other person

28 FORBEARANCE, SEVERABILITY, VARIATIONS AND CONSENTS

28 1 Delay etc. All rights, powers and privileges under this Debenture shall continue in full force and effect, regardless of the Lender, nominee or Receiver exercising, delaying in exercising or omitting to exercise any of them

28 2 Severability: No provision of this Debenture shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable

28 3 Illegality, invalidity, unenforceability Any provision of this Debenture which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Debenture

28 4 Variations No variation of this Debenture shall be valid and constitute part of this Debenture, unless such variation shall have been made in writing and signed by all Parties

28 5 **Consents** Save as otherwise expressly specified in this Debenture, any consent of the Lender may be given absolutely or on any terms and subject to any conditions as the Lender may determine in its entire discretion

29 **COUNTERPARTS**

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

30 **GOVERNING LAW**

This Debenture and all non-contractual obligations arising in any way whatsoever out of or in connection with this Debenture shall be governed by, construed and take effect in accordance with English law

31 **ENFORCEMENT**

31 1 **Jurisdiction**

- (a) The courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or any claim for set-off) or the legal relationships established by this Debenture (a "**Dispute**"), only where such Dispute is the subject of proceedings commenced by the Chargor
- (b) Where a Dispute is the subject of proceedings commenced by the Lender, the Lender is entitled to bring such proceedings in any court or courts of competent jurisdiction (including but not limited to the courts of England) If the Chargor raises a counter-claim in the context of proceedings commenced by the Lender, the Chargor shall bring such counter-claim before the court seized of the Lender's claim and no other court
- (c) The commencement of legal proceedings in one or more jurisdictions shall not, to the extent allowed by law, preclude the Lender from commencing legal actions or proceedings in any other jurisdiction, whether concurrently or not
- (d) To the extent allowed by law, the Chargor irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal proceeding, and any claim it may now or hereafter have that any such legal proceeding has been brought in an inappropriate or inconvenient forum

THIS DEBENTURE has been executed by the Chargor as a deed and signed by the Lender and it shall take effect on the date stated at the beginning of this document

EXECUTION PAGE

THE CHARGOR

Executed and delivered as a)
Deed by Montagu (Funding IV) Limited)
(pursuant to a resolution of its Board)
of Directors) acting by)

Director

GRAHAM HISLOP

in the presence of

[REDACTED]

Name of witness

Address of witness

Occupation of witness

Vicki Brooks
2 More London Riverside
London
SE1 2AP
Company Secretary

Address 2 More London Riverside
London
SE1 2AP

Fax 020 7336 9961
Attention Graham Hislop

THE LENDER

Executed and delivered as a)
Deed by Lloyds Bank plc)
acting by)

Authonsed signatory

Address 10 Gresham Street
London
EC2V 7AE

Fax 020 7158 3297
Attention Adam Heasyman

EXECUTION PAGE

THE CHARGOR

Executed and delivered as a)
Deed by **Montagu (Funding IV) Limited**)
(pursuant to a resolution of its Board)
of Directors) acting by) Director

in the presence of

Name of witness

Address of witness

Occupation of witness

Address 2 More London Riverside
London
SE1 2AP

Fax 020 7336 9961
Attention Graham Hislop

THE LENDER

Executed and delivered as a)
Deed by **Lloyds Bank plc**)
acting by)

 AMANDA WATTS
ASSOCIATE DIRECTOR
Authorised signatory

Address 10 Gresham Street
London
EC2V 7AE

Fax 020 7158 3297
Attention Adam Heasyman