Companies House

# MR01(ef)

## Registration of a Charge

Company name: **RENT 2 OWN CARS LTD**

Company number: **07631460**

Received for Electronic Filing: **28/11/2020**

X9IRUTZ4

## Details of Charge

Date of creation: **27/11/2020**

Charge code: **0763 1460 0023**

Persons entitled: **MR PAUL RUSSELL**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

**Chargor acting as a bare trustee for the property.**

## Authentication of Form

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

## Authentication of Instrument

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

Certified by: **S MARTIN**

# CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7631460

Charge code: 0763 1460 0023

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th November 2020 and created by RENT 2 OWN CARS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th November 2020 .

Given at Companies House, Cardiff on 30th November 2020

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

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

DocuSign Envelope ID: F70DE343-7D49-4653-AFD1-0D465315A105

DATED 27th November 2020

**RENT 2 OWN CARS LTD**

and

Mr Paul Russell

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THIRD PARTY LEGAL CHARGE

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DocuSign Envelope ID: F70DE343-7D49-4653-AFD1-0D465315A105

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# THIRD PARTY LEGAL CHARGE

**DATE** 27th November 2020

**PARTIES**

(1) **RENT 2 OWN CARS LTD**, a company incorporated and registered in England and Wales with registered no. 07631460, having its registered address at 1 Bell Parade, Glebe Way West Wickham, Kent BR4 0RH (the **"Chargor"**); and

***(2)*** Mr Paul Russell of 25 PARK FARM ROAD, BIRMINGHAM, B43 7QQ.

**(the "Lender")**.

**IT IS AGREED AS FOLLOWS:**

## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

In this deed:

**"Agreement"** means a loan agreement dated 7th October 2020 made between (1) the Borrower and (2) the Lender;

**"Borrower"**

means Buy 2 Let Cars Ltd (company number: 07631458) a company incorporated and registered in England and Wales and having its registered address at 1 Bell Parade, Glebe Way, West Wickham, Kent BR4 0RH;

**"Charged Property"**

means the assets, property and undertaking for the time being subject to any security created by, or pursuant to, this deed by the Chargor;

**"End-User Hire Agreement"**

means a standard form hire agreement entered into in relation to the hire of each Vehicle from Raedex Consortium Limited (company number: 07951186) to a customer;

**"Event of Default"** means

where:

(a) an event of default has occurred under the Agreement; and

(b) the End-User Hire Agreement has terminated (other than by expiry on the last day of the specified hire period) and no new hire agreement has been entered into within 1 (one) month thereafter;

**"Finance Documents"** means:

(a) this deed; and

(b) the Agreement;

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

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

**"Lease"**

means the lease agreement dated on or about the date of this deed made between (1) the Chargor and (2) Raedex Consortium Limited, setting out the leasing arrangements of the Vehicle(s);

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

**"Receiver"**

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

**"Relevant Agreement"**

means:

(a) each Lease;

(b) each End-User Hire Agreement; and

(c) all other contracts, guarantees, appointments, warranties, indemnities and other documents relating to the Vehicle(s) to which the Chargor is a party, which are in its favour or of which it has the benefit;

**"Secured Liabilities"**

means all obligations of the Borrower owed or expressed to be owed to the Lender under the Agreement whether owed jointly or severally, as principal or surety or in any other capacity together with all interest (including, without limitation, default interest) accruing in respect of those obligations or liabilities and all other costs incurred by the Lender under and in accordance with the terms of the Agreement;

**"Security"**

means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;

**"Unenforceable"**

means void, voidable, invalid, unenforceable or otherwise irrecoverable (whether or not known to the Lender or the Chargor) and **"Unenforceability"** will be construed accordingly; and

**"Vehicle(s)"**

means the Vehicle(s) listed at Schedule 1 (including any component parts of those assets from time to time held by the Chargor (whether or not attached to those assets)), together with all additions, alterations, substitutions, replacements, renewals or modifications of or to those assets from time to time, and all accessories to those assets from time to time (including maintenance and other records, manuals, handbooks, data, drawings and schematics relating to those assets or documents relating to warranties given by manufacturers or suppliers of those assets).

1.2 **Interpretation**

1.2.1 This deed is a Finance Document.

1.2.2 The provisions of Schedule 1 to the Agreement shall be deemed to be incorporated into this deed. For the purposes of incorporation into this deed the reference to "this Agreement" in the definition of "Finance Documents" in clause 1.1 of the Agreement shall be deemed to be a reference to the Agreement.

1.2.3 In this deed, unless a contrary indication appears:

(a) clause, Schedule and paragraph headings shall not affect the interpretation of this deed;

(b) a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);

(c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;

(d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;

(e) a reference to a party shall include that party's successors, permitted assigns and permitted transferees;

(f) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;

(g) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;

(h) a reference to **writing** or **written** includes fax but not e-mail;

(i) a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;

(j) **"obligations"** means obligations and liabilities;

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

(l) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;

(m) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it;

(n) any reference to **"powers"** includes rights, powers, discretions and authorities; and

(o) any reference to any asset includes any proceeds of sale of any such asset, present and future properties, undertakings, revenues, rights and benefits of every description.

1.3 **Continuation of undertakings**

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

1.4 **Clawback**

If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.5 **Perpetuity period**

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

## 2. LIMITED RECOURSE

It is expressly agreed and understood that:

2.1 the sole recourse of the Lender to the Chargor under this deed is to the Chargor's interest in the Charged Property; and

2.2 the liability of the Chargor to the Lender pursuant to or otherwise in connection with the Finance Documents shall be:

2.2.1 limited in aggregate to an amount equal to that recovered as a result of enforcement of this deed with respect to the Charged Property; and

2.2.2 satisfied only from the proceeds of sale or other disposal or realisation of the Charged Property pursuant to this deed.

## 3. GRANT OF SECURITY

### 3.1 Fixed Charge

As continuing security for the payment of the Secured Liabilities the Chargor with full title guarantee charges to the Lender by way of first fixed charge:

3.1.1 the Vehicle(s); and

3.1.2 the benefit of all other contracts, guarantees, appointments, warranties relating to the Vehicle(s) and other documents to which the Borrower is a party, which are in its favour or of which it has the benefit (including, in each case, but without limitation, the right to demand and receive all monies whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them).

## 4. REPRESENTATIONS

### 4.1 Duration and scope

The Chargor makes the representations and warranties set out in this clause to the Lender on the date of this deed.

### 4.2 Status

4.2.1 It is a limited liability company duly incorporated and validly existing under the law of England and Wales.

4.2.2 It has the power to own its assets and carry on its business in England and Wales as it is being conducted.

4.2.3 Its centre of main interests for the purposes of Council Regulation (EC) Number 1346/2000 of 29 May 2000 on insolvency procedures is in England and Wales.

### 4.3 Binding obligations

The obligations expressed to be assumed by it in each Finance Document are legal, valid, binding and enforceable obligations.

### 4.4 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not and will not conflict with:

4.4.1 any law or regulation applicable to it;

4.4.2 its constitutional documents; or

4.4.3 any agreement or instrument binding upon it or any of its assets.

### 4.5 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, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.

4.6 **Validity and admissibility in evidence**

All Authorisations required or desirable:

4.6.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party; and

4.6.2 to make the Finance Documents to which it is a party admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect.

4.7 **Ownership**

The Chargor is the sole legal and beneficial owner of, and has good, valid and marketable title to the Charged Property.

4.8 **Security**

There is no Security over any of the Charged Property, save for that granted in favour of the Lender in accordance with the terms of this deed.

4.9 **No adverse claims**

The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Vehicle(s) or any interest in them.

4.10 **No adverse covenants**

Other than under the Lease and the End-User Hire Agreement, there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever that materially and adversely affect the Charged Property.

4.11 **No breach of laws**

There is no breach of any law or regulation that materially and adversely affects the Charged Property.

4.12 **Repetition**

The representations and warranties in this clause are deemed to be made by the Chargor by reference to the facts and circumstances then existing on each day on which any representations in the Agreement are deemed to be made.

**5. UNDERTAKINGS AND COVENANTS**

5.1 **Negative pledge and disposal restrictions**

The Chargor shall not (save as permitted by the Finance Documents):

5.1.1 create or permit to subsist any Security over any of the Charged Property other than Security created by this deed;

5.1.2 sell, transfer, lease or otherwise dispose or purport or agree to dispose of any of its assets which are expressed to be assigned by way of security or charged by way of fixed security or charge to the Lender under **clause** 3.1 (Fixed Charge); or

5.1.3 create or grant (or purport to create or grant) any interest in any Charged Property in favour of a third party other than pursuant to the Relevant Agreements.

5.2 **Preservation of Charged Property**

The Chargor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or diminish the value of any of the Charged Property (except for expected fair wear and tear) or the effectiveness of the security created by this deed.

5.3 **Relevant Agreements**

The Chargor shall perform its obligations and enforce its rights under the Lease.

5.4 **Compliance with laws and regulations**

5.4.1 The Chargor shall not, without the Lender's prior written consent, use or permit the Charged Property to be used in any way contrary to law.

5.4.2 The Chargor shall promptly procure that any maintenance, modifications, alterations or repairs that are required by law or regulation to be effected on or in connection with the Charged Property are effected in accordance with the terms of the End-User Hire Agreement.

5.5 **Enforcement of rights**

The Chargor shall use all reasonable endeavours to:

5.5.1 procure the prompt observance and performance of the covenants and other obligations imposed on the Chargor's counterparties and in relation to the Vehicle(s); and

5.5.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property that the Lender may require from time to time.

5.6 **Maintenance of Vehicle(s)**

The Chargor shall use all reasonable endeavours to procure that:

5.6.1 each Vehicle is maintained in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules and in accordance with the terms of the End-User Hire Agreement;

5.6.2 any parts of the Vehicle(s) which become obsolete, worn out or damaged are renewed and replaced with parts of a similar quality and of equal or greater value;

5.6.3 accurate, complete and up to date records of all repairs, servicing and maintenance carried out on the Vehicle(s) are kept;

5.6.4 the Vehicle(s) are only:

(a) maintained and repaired by properly qualified and trained persons; and

(b) modified, upgraded, supplemented or altered for the purpose of effecting maintenance or repairs permitted by this deed and the End-User Hire Agreement.

5.7 **Documents**

The Chargor shall deposit with the Lender for the duration of this deed the original log books associated with each Vehicle.

5.8 **Insurance**

5.8.1 The Chargor shall ensure (or procure) that each Vehicle is:

(a) insured for the duration of this deed against:

(i) loss, theft or damage by fire;

(ii) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor and its Group; and

(iii) any other risk, perils and contingencies as the Lender may reasonably require.

5.8.2 Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender, and must be for not less than the replacement value of or, if higher, the cost of reinstating the relevant Vehicle.

5.8.3 The Chargor shall procure that all premiums in respect of the insurance referred to in **clause** 5.8.1 above are paid when due to ensure such insurance remains in full force and effect.

## 6. ENFORCEMENT OF SECURITY

6.1 **Lender's powers**

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

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

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

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

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

6.2 **Powers under the LPA**

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

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

6.3 **Access on enforcement**

6.3.1 Subject to the terms of the Lease or End-User Hire Agreement, any time after the Lender has demanded payment of the Secured Liabilities or if the Chargor defaults in the performance of its obligations under this deed or under the Agreement, the Chargor will allow the Lender or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Charged Property and for that purpose to enter on any premises where a Charged Property is situated (or where the Lender or a Receiver reasonably believes a Charged Property to be situated) without incurring any liability to the Chargor for, or by any reason of, that entry.

6.4 **Receivers**

6.4.1 At any time after the security constituted by this deed has become enforceable, or at the request of the Chargor, the Lender may appoint any Receiver upon such terms as to remuneration and otherwise as the Lender thinks fit and the maximum rate specified in section 109(6) of the LPA shall not apply.

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

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

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

## 7. POWERS OF RECEIVER AND LENDER

7.1 **Statutory powers**

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

7.2 **Additional powers**

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

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

7.2.2 which such Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of any Charged Property or for or in connection with the enforcement of the Security created by this deed or the realisation of any Charged Property, and may use the name of the Chargor in connection with any exercise of such powers.

7.3 **Prior encumbrances**

(i) The Lender will not be allotted vehicle(s) with the Lender's funding that have any prior encumbrances. All vehicle(s) at all times allotted to the Lender will be without an encumbrance other than to the Lender with the exception of a scenario in which the Lender were to transfer the encumbrance.

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

7.4 **Possession**

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

## 8. DELEGATION OF POWERS BY LENDER OR RECEIVER

8.1 **Delegation**

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

8.2 **Liability for delegates**

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

## 9. EXCLUSION OF LIABILITY

9.1 **No obligation to recover**

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

9.2 **Liability as mortgagee in possession**

If the Lender or any Receiver takes possession of any Charged Property, it will not be liable to account to the Chargor for anything except actual receipts or be liable to the Chargor for

any loss arising from any realisation of any Charged Property or for any default or omission for which a receiver or mortgagee in possession would be liable.

9.3 **Losses on enforcement**

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

9.3.1 any sale of any Charged Property;

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

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

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

## 10. REIMBURSEMENT AND INDEMNITY

10.1 **Reimbursement**

The Chargor shall pay to the Lender on demand:

10.1.1 any money paid by the Lender or any Receiver:

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

(b) in respect of any action or thing expressed in this deed to be done at the cost of the Chargor;

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

10.2 **Indemnity**

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

## 11. APPLICATION OF SUMS REALISED

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

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

11.2 in payment of remuneration to any Receiver;

11.3 in or towards payment of the full repayment of capital and interest remuneration due to the Lender;

11.4 in or towards payment of the Secured Liabilities; and

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

## 12. PROTECTION OF PERSONS DEALING WITH LENDER OR RECEIVER

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

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

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

12.3 whether any Secured Liabilities remain owing.

## 13. NOTICE OF SUBSEQUENT CHARGE

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

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

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

## 14. FURTHER ASSURANCE

When required by the Lender or any Receiver the Chargor shall, at its own cost:

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

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

## 15. POWER OF ATTORNEY BY CHARGOR

Following the enforcement of this deed, the Chargor irrevocably and by way of security appoints each of the Lender, any person selected by the Lender and any Receiver its attorney in each case (with full power to appoint substitutes and to delegate) severally in its name and on its behalf to execute any document or do any act or thing which:

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

15.2 the Chargor is obliged to execute or do under this deed.

## 16. PROTECTIVE PROVISIONS

### 16.1 Waiver of defences

The obligations of the Chargor under this deed and the security constituted by 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 such obligations or security including (whether or not known to it or the Lender):

16.1.1 any time, waiver or consent granted to, or composition with, any other person;

16.1.2 the release of the Borrower under the terms of any composition or arrangement with any creditor of the Borrower;

16.1.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over property of, any 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;

16.1.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower;

16.1.5 any amalgamation, merger or reconstruction of the Lender with any other person or any sale or transfer of the whole or any part of the assets of the Lender to any other person;

16.1.6 the existence of any claim, set-off or other rights which the Borrower may have at any time against the Lender, whether in connection with the Finance Documents or otherwise;

16.1.7 any novation, amendment (however fundamental) or replacement of a Finance Document or any other document or security;

16.1.8 any obligation of any person under any Finance Document or any other document or security being Unenforceable; or

16.1.9 any insolvency or similar proceedings.

### 16.2 Immediate recourse

The Chargor waives any right it may have of first requiring the Lender to proceed against or enforce any other rights or security or claim payment from any person before enforcing the

security constituted by this deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

16.3 **Appropriations**

Until the Secured Liabilities have been irrevocably paid in full, the Lender may:

16.3.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Lender in respect of the Secured Liabilities, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the benefit of the same; and

16.3.2 hold in an interest-bearing suspense account any money received under this deed.

16.4 **Deferral of Chargor's rights**

Until the Secured Liabilities have been irrevocably paid in full and unless the Lender otherwise directs, the Chargor will not exercise any rights which it may have by reason of the enforcement of this deed:

16.4.1 to be indemnified by any counterparty to the Finance Documents (to which it is party);

16.4.2 to claim any contribution from any other person in respect of any obligations of that person under the Finance Documents;

16.4.3 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;

16.4.4 to bring legal or other proceedings for an order requiring any other person to make any payment, or perform any obligation, in respect of which the Chargor has given security under this deed;

16.4.5 to exercise any right of set-off against any other person; and/or

16.4.6 to claim or prove as a creditor of any other person in competition with the Lender.

16.5 **Turnover**

If the Chargor receives any benefit, payment or distribution in relation to the rights referred to in **clause** 16.4 (Deferral of Chargor's rights) it shall hold that benefit, payment or distribution to the extent necessary to enable the Secured Liabilities 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 or towards discharge of the Secured Liabilities.

## 17. DISCHARGE OF SECURITY

17.1 **Discharge conditional**

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

## 18. REDEMPTION

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

## 19. DEFAULT INTEREST

Any sum payable by the Chargor under this deed will bear interest from the date on which it is due or if payable on demand from the date of demand until payment (both before and after judgment) at the rate of 11% IRR per annum as calculated and compounded from time to time in accordance with the Agreement.

## 20. NOTICES

### 20.1 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 email or letter.

### 20.2 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:

20.2.1 in the case of the Chargor:

Address: 1 Bell Parade, Glebe Way, West Wickham, Kent BR4 0RH;

E-mail address: r.cole@wheels4sure.com

20.2.2 in the case of the Lender:

Address: 25, PARK FARM ROAD, BIRMINGHAM, B43 7QQ;

E-mail address: Paul_r_russell@yahoo.co.uk ;

For the attention of: Mr Paul Russell,

or any substitute address, fax number or department or officer as the Chargor may notify to the Lender (or the Lender may notify to the Chargor, if a change is made by the Lender) by not less than five business days' notice. In the case of the Chargor, the address of its registered office or of any place where it carries on business shall also be addresses of Chargor for the purpose of this clause.

### 20.3 Delivery

20.3.1 Any communication or document made or delivered by the Lender on the Chargor under or in connection with this deed will be effective:

(a) if left at an address referred to in this clause, when so left;

(b) if posted by first class post to an address referred to in this clause, on the next working day in the place of receipt following the day when it was posted;

(c) if transmitted by fax to a fax number referred to in this clause, when the sending fax machine produces a print out which confirms that transmission has taken place.

20.3.2 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 specified above (or any substitute department or officer as the Lender shall specify for this purpose).

## 21. ASSIGNMENT AND TRANSFER

Neither the Lender nor the Chargor may assign any of its rights or transfer any of its rights or obligations under this deed without the consent of the other party.

## 22. TAX GROSS-UP

22.1 The Chargor shall make all payments to be made by it under this deed without any deduction or withholding for or on account of Tax (a **"Tax Deduction"**) unless a Tax Deduction is required by law.

22.2 The 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.

22.3 If the Chargor is required to make a Tax Deduction, it 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.

22.4 Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Chargor shall deliver to the Lender evidence satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment has been paid to the relevant taxing authority.

## 23. MISCELLANEOUS

### 23.1 Third party rights

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

### 23.2 Continuing security

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

### 23.3 Other security

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

## 24. 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.

## 25. LAW

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

## 26. JURISDICTION

26.1 **Jurisdiction of English courts**

26.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed and a dispute regarding a non-contractual obligation referred to in **clause** 25 (Law)) (a **"Dispute"**).

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

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

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

## SCHEDULE 1 THE VEHICLE(S)

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Make:** | VAUXHALL Corsa 1.2 Turbo 100ps SE Au 5dr H/Back | **VRM:** | KP70KWW | **VIN:** | VXKUPHNKSL4371066 | **REF:** | B2L5928 |
| **Make:** | VAUXHALL Corsa 1.2 75ps SE 5dr H/Back | **VRM:** | KP70KWT | **VIN:** | VXKUPHMHDL4369820 | **REF:** | B2L5929 |

DocuSign Envelope ID: F70DE343-7D49-4653-AFD1-0D465315A105

**EXECUTION PAGE**

Executed by the Chargor acting by a director in the presence of: ) Mr Scott Martin

)

DocuSigned by:
Mr Scott Martin
29DCC4A7097545C...

Director

DocuSigned by:
89C0DF0861D346E...

Witness: .....

Mr Thomas Darlington

Name: .....

Address: 1 Bell Parade, Glebe Way, West Wickham BR4 0RH

Occupation: Funding Consultant

Signed for and on behalf of the Lender:

DocuSigned by:
Mr Paul Russell
182BB447B60B481...

Name: Mr Paul Russell

In the presence of:

DocuSigned by:
89C0DF0861D346E...

Witness: .....

Mr Thomas Darlington

Name: .....

Address: 1 Bell Parade, Glebe Way, West Wickham BR4 0RH

Occupation: Funding Consultant