



Registration of a Charge

Company name: **CULBONE TRADING LIMITED**

Company number: **07970057**

Received for Electronic Filing: **13/11/2013**



Details of Charge

Date of creation: **11/11/2013**

Charge code: **0797 0057 0002**

Persons entitled: **CONNECTION CAPITAL LLP (AS SECURITY TRUSTEE)**

Brief description:

Contains fixed charge(s).

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

Notification of addition to or amendment of charge.

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 SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

GATELEY LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7970057

Charge code: 0797 0057 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th November 2013 and created by CULBONE TRADING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th November 2013 .

Given at Companies House, Cardiff on 14th November 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

DATED 11 November 2013

(1) CULBONE TRADING LIMITED

(2) CONNECTION CAPITAL LLP (AS SECURITY TRUSTEE)

GUARANTEE AND DEBENTURE

 **MARRIOTT
HARRISON LLP**
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GUARANTEE AND DEBENTURE made on

2013

PARTIES

- (1) **CULBONE TRADING LIMITED** incorporated under the laws of England and Wales (company number 07970057) whose registered office is at 30 Haymarket, London SW1y 4EX (the "**Company**"); and
- (2) **CONNECTION CAPITAL LLP** incorporated under the laws of England and Wales (number OC349617) whose registered office is at One Eleven, Edmund Street, Birmingham B3 2HJ as security trustee for the Beneficiaries (the "**Security Trustee**").

OPERATIVE PROVISIONS

Interpretation

- 1.1 Words and expressions defined in this Deed shall, unless the context requires otherwise, shall have the following meanings:

"Bank"	means Barclays Bank Plc;
"Beneficiaries"	means: (a) the Security Trustee; (b) the Stockholders; and (c) CCL;
"CCL"	has the meaning in the Instrument;
"Collections Accounts"	means any account(s) with the Security Trustee and any other bank, financial institution or other person together with all additions to or renewals or replacements thereof (in whatever currency);
"Debts"	means all present and future book and other debts and other monies due, owing, payable or incurred to the Company and with the benefit of any guarantees, indemnities or other assurances against financial loss affecting any of the same and the benefit of any present or future insurance policies (in so far as the same are not already assigned) and all proceeds thereof and all things in action which may give rise to any debt, revenue or claim and any other rights relating thereto including, without limitation, reservations of proprietary rights of trading and unpaid vendor's liens and associated rights;
"Default Rate"	means, in relation to any outstanding amount owed by the Company, 5 per cent. above the base rate of the Bank from time to time;
"Disposal or Dispose"	includes sale, transfer, lease, licence, or parting with possession or granting any interest in;

"Event of Default"	has the meaning in the Instrument;
"Fixtures"	means in relation to any freehold or leasehold property charged by or pursuant to this Deed, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time thereon owned by the Company;
"Guarantee"	means the guarantee contained in Clause 2.1 from the Company in favour of the Security Trustee;
"Insurances"	means all contracts and policies of insurance of whatever nature which are from time to time taken out by or on behalf of the Company or (to the extent of such interest) in which the Company has an interest, any proceeds thereof, all rights to demand the same and the debts represented thereby;
"Instrument"	means the instrument of even date herewith constituting £3,390,479.40 Secured Loan C Stock 2018 of the Company;
"Intellectual Property Rights"	means all patents, trade marks, trade names, service marks, rights (registered or unregistered) in any designs; applications for any of the foregoing; trade or business names; moral rights; copyright (including rights in computer software) and topography rights; know-how; secret formulae and processes; lists of suppliers and customers trade secrets and other confidential and proprietary knowledge and information; rights protecting goodwill and reputation; database rights and all rights and forms of protection of a similar nature to any of the foregoing or having equivalent effect anywhere in the world and all rights under licences and consents in respect of any of the rights and forms of protection mentioned in this definition and all applications for registration in respect of any of the same;
"Mortgaged Property"	means the freehold and/or leasehold property specified in the Schedule attached hereto and any other freehold or leasehold property for the time being comprised in the definition of "Security Assets" ;
"Permitted Encumbrance"	means this Deed;
"Premises"	means all buildings and erections for the time being comprised within the definition of "Security Assets" ;

"Property"

means any freehold leasehold or immovable property now or at any time vested in or held by or on behalf of the Company together with in all cases all buildings structures fixtures and fittings (including trade fixtures and fittings but excluding, in the case of leasehold property, landlord's fixtures) and fixed plant and machinery and all related spare parts fuels equipment and tools from time to time therein or thereon subject to and with the benefit of any lease tenancy agreement licence right covenant condition or encumbrance affecting the same at the date hereof;

"Receiver"

means a receiver and manager, a receiver or manager appointed under this Deed or any other security document and, as the context permits, shall include administrative receiver as defined in the Insolvency Act 1986;

"Related Rights"

means in relation to shares or any other securities, all dividends and interest paid or payable in relation thereto and all shares, securities, rights, moneys or property accruing or offered at any time in relation to such shares or other securities by way of redemption, substitution, exchange, bonus or preference, pursuant to option rights or otherwise any proceeds thereof, all rights to demand the same, and the debts represented thereby;

"Secured Liabilities"

means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Company under the Instrument together with all costs, charges and expenses on a full indemnity basis incurred by the Security Trustee in the protection, preservation and enforcement of its rights in relation thereto and all other amounts payable by the Company under this Deed;

"Securities"

means any stocks, shares, debentures, bonds and other securities and investments held by the Company;

"Security Assets"

means subject as herein provided, all property assets and undertaking of the Company which are expressed to be the subject of any Security Interest created hereby or pursuant hereto;

"Security Interest"

means any mortgage, pledge, lien, charge, security assignment, hypothecation, security trust or security interest other than liens arising in the ordinary course of business;

"Security Period" means the period beginning on the date hereof and ending on the date upon which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and

"Stockholders" has the meaning in the Instrument.

- 1.2 In this Deed unless the contrary intention appears, a reference to a **"Clause"** or a **"Schedule"** is a reference to a clause hereof or a schedule hereto; a **"person"** shall be construed as a reference to an individual, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing; and a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 1.3 As used herein, the terms **"including"** and **"in particular"** shall be construed as not limiting any general words or expressions in connection with which they are used.
- 1.4 The index to and the headings in this Deed are for convenience only and are to be ignored in construing this Deed.
- 1.5 The terms of any other agreements, documents and side letters between the parties hereto are incorporated herein to the extent required for any purported disposition of the Mortgaged Property contained herein to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.6 Any obligation of the Company hereunder to do something shall include an obligation to procure that the same is done and any obligation not to do something shall include an obligation not to permit, suffer or allow the same to be done.
- 1.7 It is intended by the parties hereto that this document shall take effect as a deed notwithstanding the fact that the Security Trustee may only execute this document under hand.
- 1.8 The provisions of paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to this Deed so that the floating charge contained herein shall be a **"qualifying floating charge"** for the purposes of the Insolvency Act 1986.

2 Covenant To Pay

- 2.1 The Company hereby covenants and guarantees to the Security Trustee as agent for the Beneficiaries from time to time that it will, upon the Security Trustee's written demand, pay or discharge the Secured Liabilities as and when they fall due and payable.
- 2.2 Any amount not paid hereunder when due shall bear interest (as well after as before judgment, payable on demand and compounded monthly) at the relevant Default Rate from the due date until the date such amount is unconditionally and irrevocably paid and discharged in full.

3 Fixed Security

- 3.1 As a continuing security for the payment of the Secured Liabilities, the Company hereby, with full title guarantee, charges in favour of the Security Trustee as agent for the Beneficiaries the following assets which are at any time owned by the Company or in which the Company is from time to time interested:
- 3.1.1 by way of legal mortgage all the freehold and leasehold property vested in or charged in the Company including, without limitation the property specified in the Schedule attached hereto together with all buildings and Fixtures thereon;
 - 3.1.2 by way of fixed charge all other estates or interests (including without limitation all rights, licences, guarantees, rent deposits, contracts, covenants and warranties) in any other freehold or leasehold property (not being charged by Clause 3.1.1) wherever situated now or hereafter belonging to it and all buildings and Fixtures thereon, all proceeds of sale of all or any part thereof and the benefit of any covenants for title given or entered into by any predecessor in title of the Company and any moneys paid or payable in respect of such covenants;
 - 3.1.3 by way of fixed charge all plant, machinery, computers, vehicles, office and other equipment and, to the extent that they are capable of being charged without breaching any express or implied terms thereof, the benefit of all contracts, licences and warranties relating to the same;
 - 3.1.4 by way of fixed charge all Securities together with all Related Rights from time to time accruing thereto;
 - 3.1.5 by way of fixed charge all rights and interests of the Company in, and claims under, the Insurances and all proceeds thereof held by, or written in favour of, the Company or in which the Company is otherwise interested;
 - 3.1.6 by way of fixed charge all its right, title, interest and benefit in and to the Collections Accounts, all monies standing to the credit of the Collections Accounts, all interest accrued on monies standing to the credit of the Collections Accounts and all rights of the Company to repayment of any of the foregoing;
 - 3.1.7 by way of fixed charge all Intellectual Property Rights;
 - 3.1.8 by way of fixed charge all the right, title and interest of the Company to and in the Debts and the benefit of all rights securities and guarantees of any nature whatsoever now or at any time enjoyed or held by the Company;
 - 3.1.9 by way of fixed charge, to the extent that they are capable of being charged without breaching any express or implied terms thereof, the benefit of all present and future licences, consents, agreements and authorisations (statutory or otherwise) held or utilised by the Company in connection with its business or the use of any of its assets;
 - 3.1.10 by way of fixed charge all the goodwill and uncalled capital of the Company;
 - 3.1.11 (to the extent possible without being in breach of any agreement or arrangement and to the extent that the same are not the subject of a specific assignment or charge pursuant to the foregoing paragraphs)

charges to the Security Trustee as agent for the Beneficiaries from time to time by way of fixed charge all of the Company's rights and benefits under any agreements entered into by it (including all rights of enforcement of the same and all causes of action in relation thereto and in relation to any representations connected therewith), any letters of credit issued in its favour and all bills of exchange and other negotiable instruments held by it, any beneficial interest, claim or entitlement of the Company in any pension fund and the right to recover and receive all compensation which may at any time become payable to it in respect thereof, and the Company's present and future uncalled capital.

- 3.2 The assignments by the Company in Clause 3.1 are subject to the proviso that following the end of the Security Period the Security Trustee shall reassign to the Company or other person entitled thereto (without recourse or warranty and at the Company's expense) the subject matter of those assignments or, as the case may be, the balance thereof or other property or assets representing the same and will at the request and cost of the Company duly discharge the Security Assets following the end of the Security Period.

4 Floating Charge

- 4.1 The Company with full title guarantee, as security for the payment and performance of the Secured Liabilities, charges in favour of the Security Trustee as agent for the Beneficiaries from time to time by way of floating charge all its undertaking and assets whatsoever and wheresoever both present and future not otherwise effectively mortgaged, charged by way of fixed charge, or assigned by this Deed.
- 4.2 The Security Trustee by written notice to the Company may convert the floating charge hereby created into a specific charge as regards:
- 4.2.1 all or any of the Company's assets specified in the notice if (i) the security constituted hereby shall have become immediately enforceable; or (ii) the Security Trustee considers such assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or
- 4.2.2 any Security Asset which becomes the subject of a Security Interest granted by the Company other than a Permitted Encumbrance or with the consent of the Security Trustee.
- 4.3 The floating charge hereby created shall (in addition to the circumstances in which the same will occur under general law) automatically be converted into a fixed charge:
- 4.3.1 on the appointment of a trustee in bankruptcy, liquidator, administrator or similar officer to the Company or on the making of any administration application (as defined in the Enterprise Act 2002 or otherwise); or
- 4.3.2 on the making of any order or the passing of any resolution of the Company for the liquidation, winding-up or dissolution of the Company (otherwise than for the purposes of an amalgamation or reconstruction while solvent on terms previously approved in writing by the Security Trustee such approval not to be unreasonably withheld or delayed);
- 4.3.3 on the appointment by the Security Trustee of a Receiver or Receivers of the whole or any part of the Security Assets;

4.3.4 on the occurrence of any other Event of Default.

- 4.4 The Company shall not (and shall procure that its directors shall not) make any administration application (as defined in the Enterprise Act 2002 or otherwise) in respect of the Company, nor take any step to appoint an administrator thereof.
- 4.5 Service by the Security Trustee of a notice pursuant to Clause 4.2 in relation to any class of the Company's assets shall not be construed as a waiver or abandonment of the Security Trustee's rights to serve similar notices in respect of any other class of assets or of any other of the rights of the Security Trustee.

5 Continuing Security

- 5.1 The Security Interests constituted hereby shall be continuing and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.
- 5.2 If for any reason the Security Interests constituted hereby cease to be a continuing security such Security Interests shall remain effective as security in respect of the Secured Liabilities at the date of such cessation regardless of any subsequent increase or reduction in the amounts of any sums constituting Secured Liabilities.
- 5.3 Where any discharge (whether in respect of the obligations of the Company or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise without limitation, the liability of the Company under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Trustee may concede or compromise any claim that any present security or other disposition is liable to avoidance or restoration.
- 5.4 Each part of the security hereby created shall be in addition to and shall not operate so as in any way to prejudice or affect (or be prejudiced or affected by) the security created by any deposit which may already have been or may hereafter be made with the Security Trustee (in whatever branch or office) of any title deeds and documents (whether relating to the Mortgaged Property or otherwise) or by any bill note guarantee mortgage charge pledge or other security or remedy or lien on any property (whether real personal or in action) which the Security Trustee may now or at any time hereafter hold for or in respect of the Secured Liabilities to the intent that the security hereby created shall not merge therein nor shall any such security merge herein.
- 5.5 The Company agrees with the Security Trustee that it will not, without the Security Trustee's prior written consent:
 - 5.5.1 create or permit to subsist, in favour of any person other than the Security Trustee, any Security Interest on the Security Assets, except for a Security Interest to which the Security Trustee has consented in writing; or
 - 5.5.2 Dispose or agree to Dispose of any Security Asset charged by way of fixed charge; or
 - 5.5.3 Dispose of any Security Assets charged by way of floating charge other than for market value in the ordinary course of business.

6 Collection of Debts

- 6.1 Unless the Security Trustee otherwise agrees in writing (and then only on such terms and in such manner as the Security Trustee may require) the Company shall at all times during the Security Period collect and realise all Debts as the same become receivable by the Company, and promptly pay the proceeds of such collection and realisation of such Debts into such account as the Security Trustee may from time to time specify (the "**Debt Proceeds Account**"), and hold the proceeds of such collection and realisation thereof until payment into the Debt Proceeds Account upon trust for the Security Trustee.
- 6.2 Prior to this security becoming enforceable in accordance with Clause 9, any moneys received by the Company and paid into the Debt Proceeds Account in respect of the Debts and other debts hereby charged shall upon such payment in stand released from the fixed charge on such debts hereinbefore by this Deed created and shall stand subject to the floating charge hereinbefore by this Deed created over the other property and assets of the Company; any such release shall in no respects derogate from the subsistence and continuance of the said fixed charge on all other Debts of the Company for the time being outstanding.
- 6.3 Without prejudice to Clause 17, the Company shall if and whenever requested by the Security Trustee to do so give prompt notice to any debtors of the Company as the Security Trustee may specify in respect of any Debts of the existence of the security hereby created in favour of the Security Trustee and irrevocably instruct them to make all payments in respect of the Debts directly to the Security Trustee or to the Debts Proceeds Account, and/or promptly execute and deliver an absolute legal assignment of any such Debts as the Security Trustee may specify in favour of the Security Trustee (subject to the proviso for reassignment set out in Clause 3.2).
- 6.4 The Company shall not at any time during the Security Period without the prior written consent of the Security Trustee deal with the Debts and by getting in and realising the same and making payment thereof into the Debt Proceeds Account. Without prejudice to the generality of the foregoing, the Company shall not at any such time factor, discount, or otherwise assign any of the Debts or agree or purport to do so.

7 Deposit of Documents

- 7.1 Promptly upon the request of the Security Trustee, the Company shall deposit with the Security Trustee all deeds and documents of title relating to the Mortgaged Property (and it is hereby agreed that the Security Trustee shall be entitled to hold the same during the Security Period).
- 7.2 Promptly upon the request of the Security Trustee, the Company shall deposit with the Security Trustee or as the Security Trustee may direct all certificates and other documents of title or evidence of ownership in relation to the Securities and their Related Rights and shall execute and deliver to the Security Trustee all such share transfers and other documents as may be requested by the Security Trustee in order that the Security Trustee or its nominees can take all necessary actions to be registered as the owner and otherwise obtain a legal title to the same.

8 Insurances

- 8.1 The Company shall insure and keep insured in one or more offices to be approved by the Security Trustee the Premises and all of the Security Assets as are of an

insurable nature against loss or damage by fire and other risks usually insured against and such other risks as the Security Trustee may from time to time require to the full reinstatement or replacement value thereof and such other insurances as are normally maintained by prudent companies carrying on similar businesses and duly pay all premiums and other moneys necessary for effecting and keeping up such insurances and, unless otherwise notified in writing by the Security Trustee, shall produce to the Security Trustee the receipts for the current premiums within 15 days after their becoming due.

- 8.2 The Company shall cause the policies of insurance in respect of the Mortgaged Property and all other of the Security Assets to be endorsed with notice of the interest of the Security Trustee or, if the Security Trustee shall so require, cause the Security Trustee to be named as a co-insured.
- 8.3 All moneys which may at any time hereafter be received or receivable under any insurance in respect of the Mortgaged Property or other Security Assets whether or not effected pursuant to the foregoing provisions shall be applied in replacing, restoring or reinstating the Mortgaged Property or other Security Assets destroyed or damaged or in such manner as the Security Trustee may agree or, if the Security Trustee so directs, in or towards satisfaction of the Secured Liabilities.
- 8.4 In case of default by the Company under this Clause 8 (Insurances) the Security Trustee may effect such insurances as the Security Trustee may consider necessary or desirable. The Company will keep the Security Trustee indemnified against all losses, costs, charges and expenses incurred in connection with the exercise of the powers contained in this Clause.

9 When Security Becomes Enforceable

- 9.1 The security constituted hereby shall become immediately enforceable upon any of the Secured Liabilities not being paid in full when due or upon the occurrence of an Event of Default (whilst the same is continuing uncorrected) or upon the Security Trustee otherwise becoming entitled to demand repayment of any of the Secured Liabilities prior to any specified maturity date therefor, and the power of sale and other powers conferred by Section 101 of the Law of Property Act 1925 as varied or amended by this Deed shall be immediately exercisable upon and at any time thereafter.
- 9.2 After the security constituted hereby has become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of such security in such manner as it sees fit.

10 Enforcement of Security

- 10.1 For the purposes of all powers implied by statute the Secured Liabilities shall be deemed to have become due and payable when the security hereby created becomes enforceable and Section 103 of the Law of Property Act 1925 (restricting the power of sale) and Section 93 of that Act (restricting the right of consolidation) shall not apply to this security. The statutory powers of leasing conferred on the Security Trustee shall be extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee shall think fit and without the need to comply with any of the provisions of Sections 99 and 100 of the said Act.
- 10.2 The Security Trustee may at any time after the security constituted hereby has become enforceable exercise, at its discretion (in the name of the Company and

without any further consent or authority on the part of the Company), in respect of any of the Securities and their Related Rights, any voting rights and any powers or rights which may be exercised by the person or persons in whose name such Securities or such Related Rights are registered or who is the holder thereof under the terms thereof or otherwise including, but without limitation all the powers given to trustees by Section 10(3)) and (4) of the Trustee Act 1925 as amended by Section 9 of the Trustee Investment Act 1961 in respect of securities or property subject to a trust. Until such time, such voting rights, powers and other rights shall be exercised in such manner as the Company may from time to time direct in writing.

- 10.3 All moneys received or realised by the Security Trustee under this Deed (including, without limitation, the proceeds of any conversion or currency) may in the discretion of the Security Trustee be credited to any suspense or impersonal account and may be held in such account for so long as the Security Trustee may think fit (with interest accruing thereon at such rate, if any, as the Security Trustee may deem fit) pending their application from time to time (as the Security Trustee shall be entitled to do in its discretion) in or towards the discharge of any of the Secured Liabilities.

11 Receiver

- 11.1 At any time after this security becomes enforceable or if the Company so requests the Security Trustee in writing at any time, the Security Trustee may without further notice, appoint under seal or in writing under its hand any one or more qualified persons to be a Receiver of all or any part of the Security Assets in like manner in every respect as if the Security Trustee had become entitled under the Law of Property Act 1925 to exercise the power of sale thereby conferred provided that the Security Trustee may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Trustee is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies. In this Clause "**qualified person**" means a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of any company with respect to which he is appointed or (as the case may require) an administrative receiver of any such company.

- 11.2 Every Receiver appointed in accordance with Clause 11.1 shall have and be entitled to exercise all of the powers set out in Clause 11.3 in addition to those conferred on it by any law; this includes:

11.2.1 in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and

11.2.2 otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Law of Property Act 1925 and the Insolvency Act 1986.

If at any time there is more than one Receiver of all or any part of the Security Assets, each such Receiver may (unless otherwise stated in any document appointing him) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of each other Receiver. Any Receiver may, in its absolute discretion, choose whether, and if so when, or not to exercise any of such powers and the Company recognises that Receiver may do so notwithstanding that the same may be prejudicial to its interests and in this

respect the Company hereby waives to the fullest extent permissible any rights it may otherwise have under Section 91(2) of the Law of Property Act 1925.

11.3 The powers referred to in the first sentence of Clause 11.1 are:

- 11.3.1 to take immediate possession of, get in and collect the Security Assets or any part thereof;
- 11.3.2 to carry on the business of the Company as he may think fit;
- 11.3.3 to make and effect all repairs and insurances and do all other acts for the protection as for the improvement of the Security Assets and to commence and/or complete any building operations on the Mortgaged Property and to apply for and maintain any planning permissions, building regulation approvals and any other permissions, consents or licences, in each case as he may in his absolute discretion think fit;
- 11.3.4 to appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes hereof upon such terms as to remuneration or otherwise as he may think proper and to discharge any such persons appointed by the Company;
- 11.3.5 for the purpose of exercising any of the powers, authorities and discretions conferred on him by or pursuant to this Deed and/or of defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in the exercise thereof or for any other purpose, to raise and borrow money either unsecured or on the security of the Security Assets or any part thereof either in priority to the security constituted by this Deed or otherwise and generally on such terms and conditions as he may think fit and no person lending such money shall be concerned to enquire as to the propriety or purpose of the exercise of such power or to see to the application of any money so raised or borrowed;
- 11.3.6 to sell, exchange, convert into money and realise or otherwise howsoever dispose of all or any part of the Security Assets by public auction or private contract and generally in such manner and on such terms as he shall think proper. Without prejudice to the generality of the foregoing he may do any of these things for a consideration or for a nil consideration consisting of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he may think fit. Fixtures, other than landlord fixtures, may be severed and sold separately from the property containing them without the consent of the Company. Any such sale, exchange, conversion or realisation and disposal may be on terms excluding or restricting the liability of the Security Trustee or the Receiver;
- 11.3.7 to let or licence all or any part of the Security Assets for such term and at such rent or licence fee (with or without a premium) as he may think proper and to vary and/or accept a surrender of any lease or tenancy or licence thereof on such terms as he may think fit (including the payment of money to a lessee or tenant or licensee on a surrender) and so that for the purposes of Section 99(2) of the Law of Property Act 1925 the expression "**mortgagor**" shall include an encumbrancer deriving title under the Company;

- 11.3.8 to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Company or relating in any way to the Security Assets or any part thereof;
 - 11.3.9 to bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Security Assets or any part thereof as may seem to him to be expedient;
 - 11.3.10 to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Security Assets;
 - 11.3.11 to form a subsidiary or subsidiaries of the Company and transfer to any such subsidiary all or any part of the Security Assets;
 - 11.3.12 to change the registered office of the Company;
 - 11.3.13 to enter into, perform, repudiate, rescind, vary, modify, assign, sub-let or novate any contract, agreement option, agreement, building contract, professional appointment or otherwise for or which relates in any way to the Security Assets or any part thereof or in relation to the exercise of any of the powers of the receiver herein contained and to appoint hire and employ and to remunerate such contractors, advisers, professionals, agents, servants, attendants, managers, officers, workmen and others upon such terms and at such salaries, fees or remuneration and generally in such manner as he shall think fit and to discharge any such persons;
 - 11.3.14 to take any proceedings whether in the name of the Company or otherwise as the receiver may think fit and whether relating to any of the matters herein contained or otherwise and to make any arrangement or compromise which he may think expedient;
 - 11.3.15 to take any indemnity from the Company from and against all actions, claims, expenses, demands and liabilities whether arising out of the contract or out of tort or in any other way incurred by him or by any manager, agent, officer, servant or workman or other person for whose debt, default or miscarriage he may be answerable for anything done or omitted to be done in the exercise or purported exercise of his powers hereunder or under any appointment duly made under the provisions of this Clause and if he thinks fit, but without prejudice to the foregoing, to effect with any insurance company or office or underwriters any policy or policies of insurance either in lieu or satisfaction of or in addition to such indemnity from the Company; and
 - 11.3.16 to do all such other acts and things as he may consider desirable or necessary for realising the Security Assets or any part thereof or incidental or conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of this Deed, to exercise in relation to the Security Assets or any part thereof all such powers, authorities and things as he would be capable of exercising if he were the absolute beneficial owner of the same and to use the name of the Company for all or any of such purposes.
- 11.4 The Security Trustee may from time to time by writing under its hand (subject to any requirement for an order of the court in the case of an administrative

receiver) remove any Receiver appointed by it and may, whenever it may deem it expedient, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated and may from time to time fix the remuneration of any Receiver appointed by it.

- 11.5 To the fullest extent permitted by law, all or any of the powers, authorities and discretions which are conferred by this Deed (either expressly or implied) upon a Receiver of the Security Assets may be exercised after the security hereby created becomes enforceable by the Security Trustee in relation to the whole of such Security Assets or any part thereof without first appointing a Receiver of such property or any part thereof or notwithstanding the appointment of a Receiver of such property or any part thereof.

12 Application of Proceeds

Any moneys received by the Security Trustee or by any Receiver appointed by it pursuant to this Deed and/or under the powers hereby conferred shall, after the security hereby constituted shall have become enforceable but subject to the payment of any claims having priority to this security, and to the Security Trustee's and such Receiver's rights under Clause 10.2 (Application of receipts and suspense account), be applied by the Security Trustee for the following purposes and, unless otherwise determined by the Security Trustee or such Receiver, in the following order of priority (but without prejudice to the right of the Security Trustee to recover any shortfall from the Company):

- 12.1 in satisfaction of or provision for all costs, charges and expenses incurred and payments made by the Security Trustee or any Receiver appointed hereunder, together with interest on the foregoing (as well after as before judgment and payable on demand) at the Default Rate from the date the same become due and payable until the date the same are unconditionally and irrevocably paid and discharged in full;
- 12.2 in or towards payment of the Secured Liabilities or such part of them as is then due and payable; and
- 12.3 in payment of the surplus (if any) to the Company or other person entitled thereto.

13 No Liability as Mortgagee in Possession

- 13.1 The Security Trustee shall not nor shall any Receiver appointed as aforesaid by reason of it or the Receiver entering into possession of the Security Assets or any part thereof be liable to account as mortgagee in possession or be liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.
- 13.2 Every Receiver duly appointed by the Security Trustee under the powers in that behalf herein contained shall be deemed to be the agent of the Company for all purposes and shall as such for all purposes be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Law of Property Act 1925. The Company alone shall be responsible for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and the Security Trustee shall not incur any liability therefor either to the Company nor to any other person whatsoever by reason of the Security Trustee's making his appointment as such Receiver or for any other reason whatsoever.

- 13.3 Every such Receiver and the Security Trustee shall be entitled to all the rights, powers, privileges and immunities by the Law of Property Act 1925 conferred on mortgagees and receivers when such receivers have been duly appointed under the said Act but so that Section 103 of that Act shall not apply.

14 Protection of Third Parties

No purchaser, mortgagee or other person or company dealing with the Security Trustee or the Receiver or its or his agents shall be concerned to enquire whether the Secured Liabilities have become payable or whether any power which the Security Trustee or the Receiver is purporting to exercise has become exercisable or whether any of the Secured Liabilities remain outstanding or to see to the application of any money paid to the Security Trustee or to such Receiver.

15 Expenses

- 15.1 All costs, charges and expenses incurred and all payments made by the Security Trustee or any Receiver appointed hereunder in the lawful exercise of the powers hereby conferred whether or not occasioned by any act, neglect or default of the Company shall carry interest (as well after as before judgement) at the relevant Default Rate from the date of the same being incurred or becoming payable until the date the same are unconditionally and irrevocably paid and discharged in full. The amount of all such costs, charges, expenses and payments and all such interest thereon and all remuneration payable hereunder shall be payable by the Company on demand. All such costs, charges, expenses and payments shall be paid and charged as between the Security Trustee and the Company on the basis of a full indemnity and not on the basis of party and party or any other kind of taxation.
- 15.2 Absent gross negligence, fraud or wilful default, the Security Trustee and every Receiver, attorney, manager, agent or other person appointed by the Security Trustee hereunder shall be entitled to be indemnified by the Company out of the Security Assets in respect of all liabilities and expenses properly incurred by them in the execution or purported execution of any of the powers, authorities or discretions vested in them pursuant hereto and against all actions, proceedings, costs, claims and demands in respect of any matter or thing properly done or omitted in any way relating to the Security Assets and the Security Trustee and any such Receiver may retain and pay all sums in respect of the same out of any moneys received under the powers hereby conferred.

16 Delegation by Security Trustee

The Security Trustee may at any time and from time to time delegate by power of attorney or in any other manner to any person or persons all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Trustee under this Deed in relation to the Security Assets or any part thereof. Any such delegation may be made upon such terms (including power to sub-delegate) and subject to such regulations as the Security Trustee may think fit. The Security Trustee shall not be in any way liable or responsible to the Company for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

17 Further Assurances

The Company shall at its own expense execute and do all such assurances, acts and things as the Security Trustee may require for perfecting the Security Interests intended to be created hereby over the Security Assets or any part

thereof or for facilitating the realisation of the Security Assets or any part thereof and in the exercise of all powers, authorities and discretions vested in the Security Trustee or any Receiver of the Security Assets or any part thereof or in any such delegate or sub-delegate as aforesaid. To that intent the Company shall in particular but without limitation execute all transfers, conveyances, assignments and assurances of the Security Assets or any part hereof whether to the Security Trustee or to its nominees and give all notices, orders and directions and make all registrations which the Security Trustee may think expedient. Without prejudice to the generality of the foregoing, the Company will forthwith at the request of the Security Trustee execute a legal mortgage, charge or assignment over all or any of the Security Assets subject to or intended to be subject to any fixed security hereby created in favour of the Security Trustee in such form as the Security Trustee may require in the form of this Deed mutatis mutandis, incorporating such amendments as the Security Trustee may require having regard to the nature of the asset, the Security Interest to be created and any change in law.

18 Redemption of Prior Security Interests

The Security Trustee may at any time after the security hereby constituted has become enforceable, redeem any prior Security Interest against the Security Assets or any part thereof or procure the transfer thereof to itself and may settle and pass the accounts of the prior mortgagee, chargee or encumbrancer. Any accounts so settled and passed shall be conclusive and binding on the Company except in the case of manifest error. All principal moneys, interest, costs, charges and expenses of and incidental to such redemption and transfer shall be paid by the Company to the Security Trustee on demand.

19 Power of Attorney

The Company hereby by way of security and in order more fully to secure the performance of its obligations hereunder irrevocably appoints the Security Trustee and every Receiver of the Security Assets or any part thereof appointed hereunder and every such delegate or sub-delegate as aforesaid to be its attorney acting severally, and on its behalf and in its name or otherwise, to execute and do all such assurances, acts and things which the Company is required to do under the covenants and provisions contained in this Deed (including, without limitation, to make any demand upon or to give any notice or receipt to any person owing moneys to the Company and to execute and deliver any charges, legal mortgages, assignments or other security and any transfers of securities) and generally in its name and on its behalf to exercise all or any of the powers, authorities and discretions conferred by or pursuant to this Deed or by statute on the Security Trustee or any such Receiver, delegate or sub-delegate and (without prejudice to the generality of the foregoing) to sell and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may deem proper in or for the purpose of exercising any of such powers, authorities and discretions. The Company hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in this Clause (Power of Attorney) shall do or purport to do in the exercise of all or any of the powers, authorities and discretions referred to in such Clause.

20 New Accounts

If the Security Trustee receives or is deemed to be affected by notice whether actual or constructive of any subsequent charge or other interest affecting any part of the Security Assets and/or the proceeds of sale thereof, the Security Trustee may open a new account or accounts in the name of the Company. If the

Security Trustee does not open a new account it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice and as from that time all payments made to the Security Trustee shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount for which this Deed is security.

21 Waivers and Remedies and Partial Invalidity

- 21.1 No failure to exercise, nor any delay in exercising, on the part of the Security Trustee any right or remedy under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise by the Security Trustee of any right or remedy prevent any further or other right or remedy. The rights and remedies of the Security Trustee in this Deed are cumulative and not exclusive of any rights or remedies provided by law.
- 21.2 If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect, the legality, validity or enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

22 Waiver of Defences

- 22.1 The guarantee contained in Clause 2.1 shall be a continuing security to the Security Trustee.
- 22.2 The guarantee contained in Clause 2.1 shall not be considered to be satisfied by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities, or the existence of any credit balance on any account maintained by the Company with any Beneficiary, but shall extend to cover any Secured Liabilities from time to time.
- 22.3 The obligations of the Company pursuant to the guarantee contained in clause 2.1 shall not be prejudiced by:
 - 22.3.1 any time or other indulgence granted by any Beneficiary to the Company or any other person;
 - 22.3.2 the liquidation, administration, administrative receivership, receivership, dissolution or other disability or incapacity of the Company or any other person;
 - 22.3.3 any lack of or limitation upon the borrowing or other powers of the Company or the absence of authority on the part of the Company or any other person in respect of the Secured Liabilities;
 - 22.3.4 any defect in or the invalidity of unenforceability of any other security or guarantee in favour of any Beneficiary in respect of the obligations of the Company or any other person; or
 - 22.3.5 any other matter which might operate to prevent any Beneficiary enforcing the obligations of the Company as primary obligor.
- 22.4 The Beneficiaries shall at all times, in their absolute discretion, be entitled to:
 - 22.4.1 vary, renew, determine, extend or increase any facilities constituting the Secured Liabilities; and

22.4.2 deal with, renew, vary, release, enforce or realise in any manner or to abstain from enforcing or perfecting on such terms as it deems fit any security or guarantee or other right which it may from time to time hold in respect of the Secured Liabilities,

in each case without prejudicing or limiting the obligations of the Company pursuant to the guarantee contained in Clause 2.1.

23 Counterparts

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

24 HM Land Registry

In respect of the Mortgaged Property specified in the Schedule attached hereto the title to which is registered at H.M. Land Registry and in respect of any other registered title(s) against which this Deed may be noted the Company hereby applies to the Chief Land Registrar for a restriction in the following terms to be entered on the Register of Title relating thereto:

"Except under an order of the Registrar, no disposition of the registered estate by the proprietor of the registered estate is to be registered without the written consent of the proprietor for the time being of the Deed dated • 2013 between Culbone Trading Limited and Connection Capital LLP."

25 Non-Contravention

It is hereby certified that the security created hereby does not contravene any of the provisions of the Memorandum or Articles of Association of the Company.

26 Covenant to Release

Upon the expiry of the Security Period (but not otherwise), the Security Trustee shall, at the request and cost of the Company, execute and do all such deeds, acts and things as may be necessary to release the Security Assets from the security constituted hereby.

27 Notices

The provisions of the Instrument relating to service of notices shall apply to this Deed.

28 Governing Law

This Deed is governed by and shall be construed in accordance with English law.

DELIVERED as a **DEED** on the date first above written.

THE SCHEDULE

Property

EXECUTION

EXECUTED as a **DEED**
by **CULBONE TRADING LIMITED**
acting by a director in the presence of:

)
)
) **Director**

Signature of Witness: [REDACTED]

Name of Witness: *ALEX LILLEY*

Address:

Occupation: [REDACTED]

Executed as a **DEED**
by **CONNECTION CAPITAL LLP**
as security trustee for the Beneficiaries
acting by a member in the presence of:

)
)
)
) **Member**

Signature of Witness: [REDACTED]

Name of Witness: *ALEX LILLEY*

Address:

Occupation: [REDACTED]