



Registration of a Charge

Company Name: **A H & Z ASSOCIATES LIMITED**

Company Number: **08110262**



XCFFHB0JD

Received for filing in Electronic Format on the: **02/11/2023**

Details of Charge

Date of creation: **31/10/2023**

Charge code: **0811 0262 0001**

Persons entitled: **OFFA MEZZ 1 LTD**

Brief description: **NONE**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **SIMON COGHLAN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8110262

Charge code: 0811 0262 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st October 2023 and created by A H & Z ASSOCIATES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd November 2023 .

Given at Companies House, Cardiff on 3rd November 2023

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**

Charge over Securities

Dated 31 October 2023

A H & Z ASSOCIATES LIMITED (the Chargor)

**OFFA Mezz 1 Ltd
(the Seller)**

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Charge over Securities

Dated 31 October 2023

Between

- (1) **A H & Z ASSOCIATES LIMITED** a company incorporated under the laws of England and Wales with company number 08110262, whose registered office is at Unit 215 East London Works 65 Whitechapel Road London E1 1DU (the **Chargor**); and
- (2) **OFFA Mezz 1 Ltd**, a limited liability company incorporated under the laws of England and Wales with company number 14374352, whose registered office is at Suite 6 2nd floor Homer Road Solihull B91 3QG (the **Seller**).

Recitals

- A The Seller has agreed to make the Facility available to the Purchaser (16 Clare St Management Ltd) on the terms of the Finance Documents.
- B It is a condition precedent to the Master Murabaha Agreement that, inter alia, a charge over the Charged Assets is granted by the Chargor in favour of the Seller upon the terms of this Deed.

This deed witnesses:

1 Definitions and interpretation

1.1 Definitions

- 1.1.1 Unless the context otherwise requires or unless otherwise defined in this Deed, words and expressions defined in the Master Murabaha Agreement shall have the same meaning when used in this Deed:

- 1.1.2 In addition, in this Deed the following definitions shall apply

Act means the Law of Property Act 1925;

Charged Assets has the meaning given to it in clause 2(a);

Financial Collateral shall have the meaning given to that expression in the Financial Collateral Regulations;

Financial Collateral Regulations means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003 No. 3226);

Master Murabaha Agreement means the master commodity Master Murabaha Agreement dated on or around the date of this Charge over Securities between the Seller (as seller) and the Purchaser (as purchaser) as it may from time to time be amended, restated, novated or replaced (however fundamentally, including by an increase in the amount of the facility made available under it, the alteration of the nature, purpose or period of such facility or the change of its parties).

Nominee means a nominee company acting for the Seller, as notified by the Seller to the Chargor from time to time;

Receiver means a receiver acting in a Shariah compliant manner appointed under this Debenture or any applicable law, whether alone or jointly, and includes a receiver and/or manager and, if the Seller is permitted by law to appoint an administrative receiver, includes an administrative receiver;

Schedule means the schedule attached to this Deed;

Secured Obligations means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by any Purchaser, a Specified Person or by some other person) of the Purchaser and the Specified Persons to the Seller under or in connection with each of the Finance Documents subject to any amounts not payable as set out in a Fatwa and Shariah Supervisory Board Notice;

Security Financial Collateral Arrangement shall have the meaning given to that expression in the Financial Collateral Regulations; and

Shares means the shares described in the Schedule.

1.2 Construction

- (a) The principles of construction set out in clause 1.2 (*Construction*) of the Master Murabaha Agreement apply to this Deed, insofar as they are relevant to it and subject to any necessary changes, as they apply to the Master Murabaha Agreement.
- (b) Unless a contrary intention appears, any reference in this Deed to:
 - (i) **property** shall include any interest (legal or equitable) in real or personal property and any thing in action;
 - (ii) this Deed shall include the Schedule;
 - (iii) any term or phrase defined in the Companies Act 2006 (as amended from time to time) shall bear the same meaning in this Deed;
- (c) Any reference in this Deed to any Finance Document or any other agreement or other document shall be construed as a reference to that Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, extended, substituted, novated or assigned, whether or not as a result of any of the same:
 - (i) there is an increase or decrease in any facility made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any facility is available or in which it is repayable;
 - (ii) any additional, further or substituted facility to or for such facility is provided;
 - (iii) the identity of the parties are changed;
 - (iv) the identity of the providers of any security is changed;
 - (v) there is an increased or additional liability on the part of any person; or

- (vi) a new agreement is effectively created or deemed to be created.
- (d) The parties intend that this document shall take effect as a deed even if it is signed under hand on behalf of the Seller.
- (e) The use of bold type shall be ignored in the construction of this Deed.

2 Charge

- (a) The Chargor, with full title guarantee and as a continuing security for the payment and discharge of the Secured Obligations, hereby charges in favour of the Seller by way of first fixed charge:
 - (i) its entire right, title and interest in and to the Shares;
 - (ii) all rights, money or property of a capital nature at any time accruing on, or payable or receivable in respect of, any of the Shares whether by way of bonus, consolidation, conversion, exchange, option, return of capital or otherwise; and
 - (iii) all rights, money or property of an income nature in respect of the Shares, whether by way of dividend, distribution or otherwise.

(together the **Charged Assets**).
- (b) The Chargor will not without the prior written consent of the Seller:
 - (i) create or attempt to create or permit to subsist any right in security, mortgage, charge, lien, encumbrance, right of set-off (except in favour of the Seller) or any trust agreement, declaration of trust, or trust arising by operation of law in respect of all or any of the Charged Assets; or
 - (ii) sell, transfer, assign or otherwise dispose of all or any of the Charged Assets; or
 - (iii) in any way dispose of the equity of redemption of any of the Charged Assets or any interest in any such Charged Assets.
- (c) The rights hereby charged to the Seller shall be released to the Chargor upon its written request and at its cost on payment or discharge in full of the Secured Obligations to the satisfaction of the Seller.
- (d) To the extent that the Charged Assets constitute Financial Collateral, the Chargor agrees that such Charged Assets shall be held or designated so as to be under the control of the Seller for all purposes of the Financial Collateral Regulations.

3 Limited Recourse

Notwithstanding the terms of any other provision of this Deed, it is expressly agreed and understood that the Seller shall have no recourse against the Chargor or its assets, whether by way of court proceedings, a winding up application or otherwise, in respect of its obligations and liabilities under this Deed except by enforcement of its security over the Charged Assets, and the liability of the Chargor shall extend only to and shall not exceed the proceeds of any such enforcement.

4 Deposit

- (a) The Chargor shall forthwith upon its execution of this Deed deliver to the Seller:
 - (i) a signed share transfer form in respect of the Shares in favour of the Seller (or the Nominee);
 - (ii) all share (or stock) certificates and other documents of title in respect of the Shares;
 - (iii) a copy (certified a true copy by a director of the Purchaser) of the articles of association of the Purchaser in force at the date of this Deed; and
 - (iv) all other documents requested by the Seller in respect of the Shares,

in each case in order for the Seller to perfect its title to the Shares or for vesting or enabling it to vest the Shares in itself (or the Nominee) or in any purchaser to the intent that the Seller may at any time without notice present them for registration.

5 Voting Rights and Dividends

- (a) Subject to the terms of clause 5(b), the Chargor shall be entitled:
 - (i) to exercise all voting rights in respect of the Shares; and
 - (ii) to receive and retain all dividends declared, paid or payable in respect of the Shares,

in each case until the date on which the Seller notifies the Chargor in writing that this Deed has become enforceable as referred to in clause 9 of this Deed.

- (b) With effect from the date on which the Seller notifies the Chargor that this Deed is enforceable in accordance with the terms of clause 9, all voting rights in respect of the Shares and all other rights attached to the Charged Assets may be exercised (without any obligation to do so) by the Seller (or the Nominee) in such a manner as it shall (in its absolute discretion) see fit and all dividends and other distributions declared, payable, paid or made in respect of the Shares shall be paid or made to and retained by the Seller and may be applied by the Seller in accordance with clause 12 of this Deed.
- (c) The Chargor will promptly pay all calls or other payments, and will discharge all obligations which may become due in respect of the Shares. If the Chargor fails to make payment of any call or other sum that may be or become payable in respect of the Shares, then the Seller may (but shall not be obliged to) pay any such call or other sum and the Chargor hereby irrevocably and unconditionally undertakes to repay to the Seller all such amounts so paid by the Seller. All amounts incurred by the Seller in accordance with the terms of this clause 5(c) shall form part of the Secured Obligations in terms of this Deed.
- (d) The Seller shall:
 - (i) deliver to the Chargor all notices, documents and other correspondence addressed to it (or the Nominee) solely in its capacity as a shareholder in the Purchaser which it receives at the address of the Seller at which the current

account of the Chargor is held from any third party (excluding for this purpose the Purchaser); and

- (ii) take such steps and sign such documents (or procure that the Nominee will do so) as are (subject to compliance with applicable laws and receipt of adequate notice) requested by the Chargor in order to give effect to the terms of this Deed.

6 Representations and Warranties

(a) The Chargor represents and warrants to the Seller that it:

- (i) is the legal and beneficial owner of the Charged Assets; and
- (ii) has good and marketable title to the Charged Assets,

in each case free from Security (other than those created by or pursuant to the Transaction Security Documents) and restrictions and onerous covenants.

- (iii) each of the Shares is fully paid and no amount is payable on or in respect of any of them;
- (iv) it has not sold, transferred, assigned, pledged or otherwise disposed of or encumbered or agreed to sell, transfer, assign, pledge or dispose of or otherwise encumber, including by way of trust agreement, declaration of trust or trust arising by operation of law all or any of its right, title and interest in and to all or any part of the Charged Assets to anyone other than the Seller;
- (v) there are no restrictions on any Secured Institution (as such term is defined in the Purchaser's articles of association) on the sale or transfer (in connection with the perfection or enforcement of the security constituted by this Deed) of all or any of the Shares under the articles of association of the Purchaser or otherwise;
- (vi) it has the necessary power to own the Charged Assets and to enter into and perform its obligations under this Deed;
- (vii) subject to the Legal Reservations the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations and this Deed constitutes a first fixed charge over the Charged Assets in accordance with its terms;
- (viii) this Deed does not conflict with or result in any breach or constitute a default under any agreement, instrument or obligation to which the Chargor or the Purchaser is a party or by which it is bound and nor (except as provided in this Deed) does the entry into this Deed result in the existence of or imposition of, or oblige the Chargor to create any security in favour of any person over all or any of its assets;
- (ix) all necessary authorisations and consents to enable or entitle the Chargor to enter into this Deed have been obtained and will remain in full force and effect during the subsistence of the security constituted by this Deed;

- (x) no limit on its powers will be exceeded as a result of the grant of security or giving of guarantees or indemnities contemplated by this Deed.
 - (xi) the Shares represent 100% of the existing share capital of the Purchaser in issue from time to time;
 - (xii) the Purchaser is not and has not at any time been an employer (for the purposes of Sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (as those terms are defined in the Pensions Schemes Act 1993) or **connected** with or an **associate** of such an employer (as those terms are used in Sections 39 and 43 of the Pensions Act 2004);
 - (xiii) it has the power to own its assets and carry on its business as it is being conducted;
 - (xiv) it is a limited liability company, duly incorporated and validly existing under the law of its Original Jurisdiction;
 - (xv) no expropriation, attachment, sequestration, distress or execution (or any analogous process in any jurisdiction) affecting any of the Chargor's assets has been taken or, to its knowledge, threatened in relation to the Chargor; and
 - (xvi) no litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, are reasonably likely to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it.
- (b) No claim has been brought seeking relief on its behalf under Part 11 of the Act or pursuant to an order of the court under section 994 of the Act in either case which, if adversely determined, might reasonably be expected to have a Material Adverse Effect which is not proved to the satisfaction of the Seller (acting in good faith) to be an abuse of process or to have no real prospect of success and which is not discharged, stayed or dismissed within three days of its presentation.
- (c) No judgment or order of a court, arbitral body or agency which is reasonably likely to have a Material Adverse Effect has (to the best of its knowledge and belief (having made due and careful enquiry)) been made against it.

7 Undertakings

- (a) The Chargor shall not without the prior written consent of the Seller or as permitted under the Master Murabaha Agreement:
 - (i) permit any person to be registered as the holder of all or any of the Shares (other than the Seller or the Nominee);
 - (ii) exercise (or purport to exercise) any voting rights in respect of the Shares in any manner which may have a material adverse effect on the value of any of the Charged Assets or the ability of the Seller to enforce this Deed including, without limitation, the amendment of the articles of association of the Purchaser;

- (iii) take or allow the taking of any action which may result in any shares in the capital of the Purchaser being issued after the date of this Deed (other than to the Chargor or any other person that is a holder of Shares as at the date of this Deed); and
 - (iv) cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Charged Assets.
- (b) The Chargor shall:
 - (i) at all times comply with the terms of this Deed;
 - (ii) if and when required by the Seller, grant in its favour (or as the Seller shall direct) such fixed or specific security or charge or assignment over all or any of the Charged Assets as the Seller may require;
 - (iii) comply in all respects with the terms of the memorandum and articles of association of the Purchaser;
 - (iv) promptly notify the Seller of the allotment or issue of any shares in the capital of the Purchaser to any person after the date of this Deed;
 - (v) promptly pay all calls made from time to time in respect of any unpaid money in relation to the Shares; and
 - (vi) promptly upon request by the Seller deposit with the Seller all deeds, certificates and documents of title relating to the Charged Assets or any part of them.

8 Protection of Security

- (a) The Chargor agrees that this Deed is and shall be in addition and without prejudice to any other security or rights which the Seller holds or may hold in respect of all or any of the Secured Obligations.
- (b) This Deed will be a continuing security for the Secured Obligations notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other matter or thing whatsoever.
- (c) The obligations of the Chargor under this Deed will not be affected by those acts, omissions, circumstances, matters or things set out in this clause which, but for this provision, might operate to release or otherwise exonerate it from any of its obligations hereunder in whole or in part, including (without limitation):
 - (i) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Seller may have now or in the future from or against the Purchaser, the Chargor or any other person in respect of the Secured Obligations;
 - (ii) any act or omission by the Seller or any other person in taking up, perfecting or enforcing any security or guarantee from or against the Purchaser, the Chargor or any other person or the invalidity or unenforceability of any such security or guarantee;

- (iii) any amendment, variation, restatement or supplement of or to, or novation, transfer or termination (in whole or in part) of, any document relating to the Secured Obligations or any exercise by the Seller (in its absolute discretion) of its rights to refuse, grant, continue, vary, review, determine or increase any credit or facilities to the Chargor or any other person;
 - (iv) any grant of time, indulgence, waiver or concession to the Chargor or any other person;
 - (v) any arrangement or compromise entered into between the Seller and the Chargor or any other person;
 - (vi) the administration, insolvency, bankruptcy, liquidation, winding-up, receivership, dissolution, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name and style of, of the Purchaser, the Chargor or any other person;
 - (vii) the invalidity, illegality, unenforceability, irregularity or frustration of the Secured Obligations or any of the obligations of the Purchaser, the Chargor or any other person to the extent allowed by Shariah principles;
 - (viii) any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any other person resulting from any administration, insolvency, bankruptcy, liquidation, winding-up, receivership or dissolution proceedings or from any law, regulation or order.
- (d) The Seller shall not be obliged, before exercising any of the rights, powers or remedies conferred upon it by or pursuant to this Deed or by law to:
- (i) take any action or obtain judgment or decree in any court against the Chargor;
 - (ii) make or file any claim to rank in a winding-up or a liquidation of the Chargor; or
 - (iii) enforce or seek to enforce any other security taken, or exercise any right or plea available to the Seller, in respect of the Secured Obligations.
- (e) Any settlement or discharge between the Chargor and the Seller shall be conditional upon no security or payment granted or made to the Seller by the Chargor or any other person being avoided or reduced by virtue of any provision or enactment relating to administration, insolvency, bankruptcy, liquidation, winding-up, receivership or dissolution for the time being in force and accordingly (but without prejudice to any other rights of the Seller) the Seller shall be entitled to recover from the Chargor the value or amount of such security or payment from the Chargor as if such settlement or discharge had not occurred.
- (f) Without prejudice to the generality of clause 8 (*Protection of Security*), the Chargor expressly confirms that it intends that the security constituted by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any facility or amount made available under any of the Finance Documents and/or any of the Finance Documents including, without limitation, any of the same which are for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor

distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; and/or any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, together with any fees, costs and/or expenses associated with any of the foregoing but excluding any costs of funds, opportunity costs and/or payments of interest of any kind.

9 Enforcement

The security constituted by this Deed shall become enforceable upon and at any time after the occurrence of any of the following events:

- (a) the making of a request by the Chargor for the appointment of a Receiver; or
- (b) if an Event of Default occurs which is continuing.

10 Powers

- (a) At any time after this Deed has become enforceable, the Seller may in its absolute discretion enforce all or any part of the security created by this Deed as it sees fit and, in particular but without limitation, may exercise all or any of the powers conferred on mortgagees by the Act and all or any of the powers and discretions conferred by this Deed.
- (b) At any time after this Deed has become enforceable (or if requested by the Chargor), the Seller may by writing under hand signed by any officer of the Seller appoint any person (or persons) to be a Receiver of all or any part of the Charged Assets.
- (c) Section 103 of the Act will not apply to this Deed and the Seller may exercise its power of sale and other powers under that or any other Act or this Deed at any time after the date of this Deed.
- (d) Section 93 of the Act will not apply to this Deed.
- (e) At any time after this Deed has become enforceable the Seller shall be and is entitled (but not obliged) to exercise all and/or any rights and powers in relation to all or any of the Charged Assets in a Shariah compliant manner which could have been exercised by the Chargor including:
 - (i) power to sell or otherwise dispose of all or any of the Charged Assets (for a fair and reasonable price);
 - (ii) power to receive all or any money payable in respect of or in connection with all or any of the Charged Assets;
 - (iii) power to negotiate, compromise and/or agree any dispute arising out of all or any of the Charged Assets.
- (f) The Seller may exercise all or any of the powers referred to in this Deed in such manner and to such extent as the Seller considers appropriate (in its sole discretion) and in particular (but without limitation to the generality of the foregoing) shall not be under any duty to maximise the proceeds arising from the Charged Assets.

- (g) Neither the Seller nor any Receiver shall be liable to account to the Chargor as mortgagee in possession in respect of all or any of the Charged Assets and shall not be liable to the Chargor for any loss or damage arising from the exercise by the Seller or any Receiver of all or any of the powers conferred by this Deed or the Act.
- (h) At any time after this Deed becomes enforceable, the Seller may redeem any prior mortgage, charge or encumbrance in respect of all or any of the Charged Assets or procure the transfer of them to itself and may settle the accounts of the prior mortgagee, chargee or encumbrancer and any accounts so settled will be, in the absence of manifest error, conclusive and binding on the Chargor. All money paid by the Seller to the mortgagee, chargee or encumbrancer in accordance with such accounts shall form part of the Secured Obligations.

11 Receiver

- (a) The Receiver shall be deemed to be the agent of the Chargor for all purposes and the Chargor shall be solely responsible for its acts, defaults and remuneration save for any acts of gross negligence or wilful misconduct of the Receiver.
- (b) The Seller may by writing under hand remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in its place.
- (c) Each Receiver may (if there is more than one Receiver holding office at the same time) exercise all the powers conferred on a Receiver under this Deed (in a Shariah compliant manner) individually and to the exclusion of any other Receiver (subject only to the terms of the appointment of such Receiver).
- (d) The Receiver shall have and be entitled to exercise all powers conferred on a Receiver by law (including all the rights, powers and discretions conferred on a receiver under the Act and a receiver or administrative receiver under the Insolvency Act 1986) so long as such power is exercised in a Shariah compliant manner and, in particular, by way of addition to but without hereby limiting any general powers referred to in this Deed (and without prejudice to the powers of the Seller), the Receiver shall have power in the name of the Chargor or otherwise to do the following (in a Shariah compliant manner):
 - (i) to take possession of, collect and get in or realise all or any of the Charged Assets;
 - (ii) to take, enforce, defend or abandon any actions, suit or proceedings in relation to all or any of the Charged Assets (in the name of Chargor or otherwise) as it thinks fit;
 - (iii) 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 Chargor or relating in any way to all or any of the Charged Assets;
 - (iv) to raise any money (whether unsecured or on the security of the Charged Assets) and generally on such Shariah compliant terms and for whatever Shariah compliant purpose it thinks fit;

- (v) to give valid receipts for all money and execute all assurances and things which may be proper or desirable for realising the Charged Assets;
 - (vi) to make any arrangement or compromise or pay any compensation or incur any obligation or enter into any contracts which the Receiver shall think expedient in the interests of the Seller;
 - (vii) to delegate all or any of its powers in accordance with this Deed (so long as such delegates act in accordance with Shariah principles);
 - (viii) to do all such other acts and things which it may consider desirable or necessary for realising the Charged Assets or to be incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or by law, to exercise in relation to the Charged Assets all powers and authorities as it would be capable of exercising if it were the absolute beneficial owner of the Charged Assets and to use the name of the Chargor for any of such purposes.
- (e) The Seller may from time to time fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the Act will not apply.
- (f) Any right, power or discretion conferred by this Deed (expressly or impliedly) or by law on a Receiver may, after this Deed becomes enforceable, be exercised by the Seller notwithstanding any prior appointment of a Receiver.

12 Application of Security Proceeds

- (a) Any money received under the powers conferred by this Deed will, subject to the payment or repayment of any prior claims, be paid or applied in the following order of priority:
- (i) in or towards satisfaction of all actual costs, charges and expenses incurred, and payments made, by the Seller and/or the Receiver including the remuneration of the Receiver but excluding any costs of funds, opportunity costs and/or payment of interest of any kind.
 - (ii) in or towards satisfaction of the Secured Obligations in whatever order the Seller may require;
 - (iii) as to the surplus (if any) to the person(s) entitled to it.

provided that the Receiver may retain any money in its hands for so long as it thinks fit, and the Seller may, without prejudice to any other rights the Seller may have at any time and from time to time, place and keep for such time as the Seller may think prudent any money received, recovered or realised under or by virtue of this Deed to or at a separate or suspense account to the credit either of the Chargor or the Seller or as the Seller thinks fit without any immediate obligation on the part of the Seller to apply such money or any part of such money in or towards the discharge of the Secured Obligations.

- (b) Subject to clause 12(a), any money received or realised by the Seller from the Chargor under this Deed may be applied by the Seller to any item of account or liability or transaction in such order or manner as the Seller may determine.

13 Protection of Third Parties

No purchaser or other person dealing with the Seller, any Receiver or any agent or delegate shall be obliged or concerned to enquire whether the right of the Seller or any Receiver or any agent or delegate to exercise any of the powers conferred by or referred to in this Deed has arisen or become exercisable, whether any of the Secured Obligations remain outstanding or be concerned with notice to the contrary or whether an event has occurred to authorise the Seller or any Receiver or any agent or delegate to act or as to the propriety or validity of the exercise or purported exercise of any such power.

14 New Accounts

14.1.1 Opening of a new account or accounts

If the Seller receives (or is deemed to be affected by) notice (whether actual or constructive) of any subsequent charge or other interest affecting the Charged Assets or the disposal of them, it may open a new Shariah compliant account or Shariah compliant accounts with any person for whose liabilities this charge is available as security.

14.1.2 If a new account is not opened

If the Seller does not open a new Shariah compliant account, the Seller shall nevertheless be treated as if the Seller 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 Seller shall be credited (or be treated as having been credited to) the new Shariah compliant account and shall not operate to reduce the amount for which this Deed is security.

15 Costs and Expenses

The Chargor shall pay or reimburse to the Seller or any Receiver on demand (on a full indemnity basis) all actual costs, charges and expenses (including legal fees) incurred by the Seller or any Receiver in the enforcement of this Deed (including, without limitation, the costs of any proceedings in relation to this Deed or the Secured Obligations); but excluding any costs of funds, opportunity costs and/or payment of interest of any kind, which costs, charges and expenses shall form part of the Secured Obligations.

16 Appropriation

To the extent that Charged Assets constitute Financial Collateral and are subject to a Security Financial Collateral Arrangement created by this Deed, the Seller shall have the right, at any time after this Deed becomes enforceable, to appropriate all or any part of those Charged Assets in or towards the payment or discharge of the Secured Obligations. The value of any Charged Assets appropriated in accordance with this clause 16 shall be the price of those Charged Assets at the time the right of appropriation is exercised as listed on any recognised market index, or as determined by such other method as the Seller may select (including independent valuation). The Chargor agrees that the methods of valuation provided for in this clause 16 are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations.

17 Power of Attorney

- (a) The Chargor irrevocably and by way of security appoints the Seller and any Receiver as the attorney of the Chargor, for the Chargor and in its name and on its behalf and

as its act and deed or otherwise, to execute and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which may be required of the Chargor under this Deed or may be required or deemed proper in the exercise of any of the rights or powers conferred on the Seller or any Receiver or otherwise for any of the purposes of this Deed.

- (b) The Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney does or purports to do in a Shariah compliant manner under its appointment under clause 17(a).

18 Indemnity

- (a) The Seller, any Receiver and every attorney, manager, agent, employee or other person appointed by the Seller or any Receiver under or in connection with this Deed shall be and is hereby indemnified by the Chargor in respect of all actual liabilities, costs, losses and expenses but excluding any cost of funds, opportunity costs and/or payment of interest of any kind incurred by them or him in the execution of any of the powers, authorities or discretions vested in them or him pursuant to the terms of this Deed (or by any law or regulation) and against all actions, proceedings, actual costs, claims and demands but excluding any cost of funds, opportunity costs and/or payment of interest of any kind in respect of any matter or thing done or omitted in any way in connection with or relating to all or any of the Charged Assets and the Seller, any Receiver or any such other person may retain and pay all sums in respect of the same out of moneys received under the powers conferred by this Deed.
- (b) The indemnity under clause 14.1.1 shall not apply to the extent that any such liability, cost, loss and/or expense arises as a result of the wilful default or gross negligence of the Seller or any Receiver.

19 Notices

- (a) Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.
- (b) The address and fax number of the Seller for any communication or document to be made or delivered under or in connection with this Deed is Suite 6 2nd floor 1 Homer Road Solihull B91 3QG or any substitute address or fax number as the Seller may notify to the Chargor by not less than five Business Days' notice.
- (c) The address of the Chargor for any communication or document under or in connection with this Deed is Unit 215 East London Works 65 Whitechapel Road London E1 1DU at the time such communication or document is made or delivered. The fax number of the Chargor for any communication or document to be made or delivered under or in connection with this Deed is the fax number most recently provided to the Seller by the Chargor.
- (d) In the event of the death of the Chargor and until the Seller receives written notice of the grant of probate of the will or the grant of letters of administration or of any similar court order in any jurisdiction, any communication or document which is made or delivered to the Chargor in accordance with this clause 19 will be effective as if the deceased were still living.

- (e) Subject to clause 18, any communication made or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been delivered to the relevant address or three Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address.
- (f) Any communication or document to be made or delivered to the Seller will be effective only when actually received by the Seller.

20 Further Assurance

The Chargor will on demand in writing by the Seller or any Receiver execute and deliver (in such form as the Seller or any Receiver may reasonably require) such Shariah compliant deeds, documents, agreements and instruments and will otherwise do and concur in all such other Shariah compliant acts and things as the Seller or any Receiver may deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by this Deed or for facilitating the realisation of the Charged Assets charged by this Deed or the exercise of any rights of the Seller or any Receiver hereunder.

21 Miscellaneous

- (a) If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will be in any way affected or impaired.
- (b) No failure or delay by the Seller or any Receiver in exercising any right or remedy under this Deed shall operate as a waiver, and no single or partial exercise shall prevent further exercise, of any right or remedy.
- (c) The Seller will be entitled to disclose to any member of its Group, its auditors, advisers or applicable regulatory authority or any other person that enters or proposes to enter into any assignment, transfer, securitisation or other disposition of any part of any right or obligation in relation to the Secured Obligations confidential information concerning this Deed or any arrangement made or to be made in connection with this Deed.
- (d) Save to the extent expressly provided to the contrary in this Deed, a third party (being any person other than the Chargor or the Seller and their permitted successors and assigns) may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and no consent of any third party is required for any amendment, variation or termination of this Deed.
- (e) A certificate by a duly authorised officer of the Seller as to the amount of the Secured Obligations or any part of them shall, in the absence of manifest error, be conclusive and binding on the Chargor.
- (f) The Seller may at any time (without notice or consent) assign, transfer or otherwise dispose of in any manner it sees fit, all or any part of the benefit of this Deed (or all or any of its rights under this Deed) and/or any of its obligations under this Deed to any

person. The Chargor may not assign, transfer or otherwise dispose of any part of the benefit or burden of this Deed or all or any of its rights under this Deed without the prior written consent of the Seller.

22 No Reliance by the Chargor

- (a) The Chargor confirms to the Seller that, in entering into this Deed, the Chargor:
 - (i) has not relied on any representation made by or on behalf of the Seller or any written statement, advice, opinion or information given to the Chargor in good faith by or on behalf of the Seller and the Seller shall have no liability to the Chargor if it has in fact done so; and
 - (ii) has been, and will continue to be, solely responsible for making its or its own independent appraisal and investigation of all risks arising under or in connection with this Deed including but not limited to the financial condition, status and nature of the Purchaser and the Chargor has come to its or its own decision, without relying on the Seller, as to the likelihood of the Purchaser paying, performing and discharging the Secured Obligations and the Seller shall have no liability to the Chargor if it has not in fact done so.
- (b) The Chargor further confirms to the Seller that the Seller has no duty or responsibility either now or in the future to provide the Chargor with any information relating to the financial condition, status or nature of the Purchaser.

23 Interest

The parties to this Deed recognise and agree that the principle of the payment or receipt of interest is repugnant to Shariah and accordingly, to the extent that any legal system would (but for the provisions of this clause 23) impose (whether by contract or by statute) any obligation to pay interest, the parties to this Deed hereby irrevocably and unconditionally expressly waive and reject any entitlement to receive and/or recover interest from each other.

24 Counterparts

This Deed may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

25 Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by, and shall be construed in accordance with, English law.

26 Enforcement

26.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).

- (b) The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary.
- (c) Clauses 26.1(a) and 26.1(b) above are for the benefit of the Seller only. As a result, the Seller shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Seller may take concurrent proceedings in any number of jurisdictions.

In Witness whereof this Deed has been executed by the Chargor as a deed and signed by the Seller and shall take effect on the day and year stated at the beginning of this document.

Schedule – The Shares


| Name of Company (Including Company Number) | Number of Shares | Class of Shares | Nominal value of Shares |
|---|------------------|-----------------|-------------------------|
| 16 Clare St Management Ltd Company no:15146895 | 100 | ordinary | £1.00 |

Execution pages of the Charge over Securities

The Chargor

Executed as a deed by

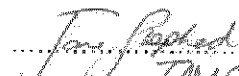
A H & Z ASSOCIATES LIMITED acting by a
director in the presence of:

) 
)
)
)

Signature of witness:

Name of witness:

Address:


.....
JAMES SHEPHERD
.....
15 Prescot Street
.....
LONDON
.....
E1 8AZ
.....

The Seller

Executed as a deed by

OFFA MEZZ 1 LTD acting by a
director in the presence of:

)
)
) Director:
)

Signature of witness:

Name of witness:

Address:

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.....
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