



**Registration of a Charge**

Company name: **SHROPSHIRE COLLEGE MANAGEMENT LIMITED**

Company number: **08676686**



X70DNAMZ

Received for Electronic Filing: **23/02/2018**

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**Details of Charge**

Date of creation: **22/02/2018**

Charge code: **0867 6686 0001**

Persons entitled: **THE SECRETARY OF STATE FOR EDUCATION**

Brief description: **1. THE LEASEHOLD LAND AND BUILDINGS KNOWN AS THE WEST STAND, BUCKS HEAD FOOTBALL GROUND, WATLING STREET, WELLINGTON, TELFORD AND REGISTERED AT HM LAND REGISTRY UNDER TITLE NUMBER SL164161. 2. THE FREEHOLD LAND AND BUILDINGS KNOWN AS BUCKS HEAD FOOTBALL GROUND, WATLING STREET, WELLINGTON, TELFORD (NOW KNOWN AS THE TELFORD WHITEHOUSE HOTEL, WATLING ST, WELLINGTON, TELFORD TF1 2NJ) AND REGISTERED AT HM LAND REGISTRY UNDER TITLE NUMBER SL134435.**

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**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: **WOMBLE BOND DICKINSON (UK) LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 8676686

Charge code: 0867 6686 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd February 2018 and created by SHROPSHIRE COLLEGE MANAGEMENT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd February 2018 .

Given at Companies House, Cardiff on 27th February 2018

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

Engrossment Copy

22 February 201<sup>8</sup>~~7~~

Legal Charge  
relating to the properties listed in Schedule 1

Shropshire College Management Limited (as Chargor) <sup>(1)</sup> and  
The Secretary of State for Education (as Lender) <sup>(2)</sup>

This Legal Charge is subject to an Intercreditor Agreement dated on or about the date of this Legal Charge and made between (1) the Chargor and the Borrower, (2) the Lender, (3) the Football Foundation and (4) Barclays Bank PLC

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DATE 22 February 2018

## **PARTIES**

- (1) Shropshire College Management Limited a company incorporated in England and Wales (No. 08676686) whose registered office is New College Telford King Street, Wellington, Telford, TF1 1NY (**Chargor**).
- (2) The Secretary of State for Education as lender of Sanctuary Buildings, 20 Great Smith St, Westminster, London SW1P 3BT (**Lender**).

## **BACKGROUND**

This Deed is executed pursuant to obligations imposed under the Facilities Agreement.

## **AGREED TERMS**

### **1. DEFINITIONS AND INTERPRETATION**

- 1.1 The definitions and rules of interpretation in Clause 1 apply:

<b>Borrower</b>	Telford College of Haybridge Road, Wellington, Telford, Shropshire TF1 2NP a further education corporation and a body corporate established under part 1 of the Further and Higher Education Act 1992 and an exempt charity in accordance with section 22A of the Further and Higher Education Act.
<b>Charged Assets</b>	the assets charged at Clause 3 and includes any part or parts of them.
<b>Default Rate</b>	one per cent per annum above the highest rate of Interest ordinarily applicable to the relevant Secured Obligations from time to time.
<b>Discharge Date</b>	the date with effect from which the Lender confirms to the Chargor that all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all relevant commitments cancelled (such confirmation to be provided within 10 Business Days of the date on which the Secured Obligations are unconditionally and irrevocably paid and discharged in full and the relevant commitments cancelled).
<b>Enforcement Party</b>	any of the Lender, a Receiver or a Delegate.
<b>Event of Default</b>	the occurrence of any of the events or circumstances defined in the Facilities Agreement as an Event of Default.
<b>Expenses</b>	all the fees, discounts, commissions and other banking or service charges, legal and other professional fees, premiums, costs or expenses, in each case calculated on a full indemnity basis and together with VAT, incurred by any Enforcement Party in connection with the Charged Assets in accordance with the provisions of the Finance Documents, the preparation, negotiation and creation of this Deed, taking, perfecting, enforcing or exercising any power under this Deed, the appointment of any Receiver or Delegate, the breach of any provision of this Deed and / or the protection, realisation or enforcement of this Deed, and includes the costs of transferring to the Lender or the Receiver any security ranking in priority to the security constituted by this Deed, or the amount required to be paid to secure the unconditional and irrevocable discharge of such security, or any of the foregoing as the context

	shall require.
<b>Facilities Agreement</b>	the facilities agreement dated on 20 December 2017 and made between (1) the Borrower and (2) the Lender, as the same may be varied, amended, modified, supplemented or replaced.
<b>Insolvency Act</b>	Insolvency Act 1986.
<b>Intercreditor Agreement</b>	the intercreditor agreement dated on or about the date of this Deed and made between (1) the Chargor and the Borrower (2) the Lender (3) the Football Foundation and (4) Barclays Bank PLC.
<b>Interest</b>	interest at the rate provided in and calculated and compounded in accordance with the Facilities Agreement both before and after judgment.
<b>Lease</b>	has the meaning given in Part 1 of Schedule 2 (Property Warranties and Undertakings);
<b>LPA</b>	Law of Property Act 1925.
<b>Party</b>	a party to this Deed.
<b>Property</b>	the property owned by the Chargor or in which the Chargor has an interest, particulars of which are set out in Schedule 1 ( <i>Details of the Property</i> ) together with (in every case) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property, all proceeds of sale deriving from any such property, the benefit of all covenants given in respect of any such property and any monies paid or payable in respect of such covenants.
<b>Receiver</b>	any one or more receivers and managers or (if the Lender so specifies in the relevant appointment) receivers appointed by the Lender pursuant to this Deed in respect of the Chargor or in respect of the Charged Assets or any of them.
<b>Rental Income</b>	<p>the aggregate of all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Property, including each of the following amounts:</p> <ul style="list-style-type: none"> <li>(a) rent, licence fees and equivalent amounts paid or payable;</li> <li>(b) any sum received or receivable from any deposit held as security for performance of a tenant's obligations;</li> <li>(c) a sum equal to any apportionment of rent allowed in favour of the Chargor;</li> <li>(d) any other moneys paid or payable in respect of occupation and/or usage of the Property and any fixture and fitting on that Property including any fixture or fitting on the Property for display or advertisement, on licence or otherwise;</li> <li>(e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;</li> <li>(f) any sum paid or payable, or the value of any consideration</li> </ul>

given, for the grant, surrender, amendment, supplement or extension of any Lease;

- (g) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease;
- (h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease;
- (i) any Tenant Contributions; and
- (j) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by the Chargor.

<b>Secured Obligations</b>	all indebtedness and all obligations or liabilities of any kind which may now or at any time in the future be due, owing or incurred by the Borrower or the Chargor to the Lender, whatever their nature or basis, in any currency or currencies and however they are described together with Interest and Expenses.
<b>Security Interest</b>	any mortgage, charge, pledge, lien and any other arrangement or interest (whether by assignment, trust, title retention or otherwise) which has the effect of creating security.
<b>Security Period</b>	the period beginning on the date of this Deed and ending on the Discharge Date.
<b>Tenant Contributions</b>	<ul style="list-style-type: none"><li>(a) any amount paid or payable to the Chargor by any tenant under a Lease or any other occupier of the Property:<ul style="list-style-type: none"><li>(i) by way of contribution to:<ul style="list-style-type: none"><li>(A) ground rent;</li><li>(B) insurance premia;</li><li>(C) the cost of an insurance valuation;</li><li>(D) a service or other charge in respect of the Chargor's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, the Property; or</li><li>(E) a reserve or sinking fund;</li></ul></li><li>(ii) by way of VAT; or</li></ul></li><li>(b) any other amount from time to time agreed between the Lender and the Chargor in writing.</li></ul>
<b>Third Parties Act</b>	the Contracts (Rights of Third Parties) Act 1999.

## 1.2 Construction

In this Deed:



### 1.2.1

- (a) the word **assets** includes present and future property, revenue, rights and interests of every kind;
- (b) the word **dispose** includes charging, selling, leasing, assigning, or transferring or agreeing to do any of the same, granting an option or similar right, creating a trust or other equitable interest or sharing or parting with possession or occupation;
- (c) the word **guarantee** includes any guarantee or indemnity and any other financial support (including any participation or other assurance against loss and any deposit or payment) in respect of any person's indebtedness;
- (d) the word **indebtedness** includes any obligation for the payment or repayment of money, whatever the nature or basis of the relevant obligation (and whether present or future, actual or contingent);
- (e) the word **law** includes law established by or under statute, constitution, treaty, decree, regulation or judgment, common law and customary law and the word **lawful** and similar words and phrases are to be construed accordingly;
- (f) the word **loan** includes any sum of money lent by the Lender to the Chargor by way of loan or overdraft facilities and any other facility made available or obligation undertaken by the Lender to or for the Chargor;
- (g) the word **person** includes any individual, company, corporation, firm, government, state or any agency of a state and any association, partnership or trust (in each case, whether or not it has separate legal personality);
- (h) the word **Property** includes a reference to each separate property of which particulars are set out in Schedule 1 (Details of the Property) and to any part or parts of such property;
- (i) the word **regulation** includes all guidelines, official directives, regulations, requests and rules (in each case, whether or not having the force of law) of any governmental, inter-governmental or supranational agency, body or department or of any regulatory or other authority or organisation (whether statutory or non-statutory, governmental or non-governmental);
- (j) the word **security** includes any assignment by way of security, charge, lien, mortgage, pledge or other security interest securing any obligation of any person and any other agreement or arrangement having a similar effect;
- (k) the word **set-off** includes analogous rights and obligations in other jurisdictions; and
- (l) the word **tax** includes any tax, duty, impost or levy and any other charge or withholding of a similar nature (including any interest or penalty for late payment or non-payment);

1.2.2 except where this Deed expressly states otherwise, each term used in this Deed which is defined in the Facilities Agreement has the same meaning as in the Facilities Agreement, construed in accordance with the Facilities Agreement;

1.2.3 where something (or a list of things) is introduced by the word **including**, or by the phrase **in particular**, or is followed by the phrase **or otherwise**, the intention is to state an example (or examples) and not to be exhaustive (and the same applies when other similar words or phrases are used);

- 1.2.4 each reference to the **Chargor** or to the **Lender** includes its successors in title, and its permitted assignees or permitted transferees;
- 1.2.5 unless this Deed expressly states otherwise or the context requires otherwise, (a) each reference in this Deed to any provision of any statute or of any subordinate legislation means, at any time, the relevant provision as in force at that time (even if it has been amended or re-enacted since the date of this Deed) and (b) each reference in this Deed to any provision of any statute at any time includes any subordinate legislation made pursuant to or in respect of such provisions as in force at such time (whether made before or after the date of this Deed and whether amended or re-enacted since the date of this Deed);
- 1.2.6 each reference to this Deed (or to any other agreement or deed) means, at any time, this Deed (or as applicable such other agreement or deed) as amended, novated or supplemented, at that time, provided that the relevant amendment, novation or supplement does not breach any term of this Deed or of any Finance Document;
- 1.2.7 each reference to the singular includes the plural and vice versa as the context permits or requires;
- 1.2.8 the index and each heading in this Deed are for convenience only and do not affect the meaning of the words which follow it;
- 1.2.9 each reference to a clause or Schedule is (unless expressly provided to the contrary) to be construed as a reference to the relevant clause of or Schedule to this Deed;
- 1.2.10 wherever this Deed states that the Chargor must not take a particular step without the consent of the Lender, the Lender has discretion whether to give its consent and can impose conditions on any such consent it gives; and
- 1.2.11 an Event of Default is **continuing** if it has not been waived by the Lender in writing.

### **1.3 Third Party Rights**

- 1.3.1 A person who is not an Enforcement Party has no right under the Third Parties Act to enforce or enjoy the benefit of any term of this Deed except to the extent that this Deed or any other Finance Document expressly provides for it to do so.
- 1.3.2 The consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- 1.3.3 This Clause 1.3 does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Third Parties Act.

### **1.4 Incorporation of other terms and designation as a Finance Document**

- 1.4.1 The terms of the Facilities Agreement and any other Finance Document or other document under which Secured Obligations arise and of any side letters between the Chargor and the Lender relating thereto are incorporated in this Deed to the extent required for any purported disposition of the Charged Assets contained in this Deed to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.4.2 The provisions of clauses 1.1 (*Definitions and Interpretation*) and 1.2 (*Construction*) of the Facilities Agreement shall apply to this Deed as if set out in this Deed in full.
- 1.4.3 This Deed is a Finance Document.

## **1.5 Construction of Charging Clause**

Each of the Security Interests created by Clause 3 (*Charging Clause*) shall be construed as separate and distinct interests over the relevant assets so that the recharacterisation for any reason of any Security Interest over any one asset shall not affect the nature of the Security Interest created over any other asset.

## **2. COVENANT TO PAY**

- 2.1 The Chargor hereby, as primary obligor and not merely as surety, covenants with the Lender that it will pay, discharge and perform the Secured Obligations on demand and in the manner provided in the Finance Documents when the Secured Obligations become due.
- 2.2 Any amount which is not paid under this Deed on the due date shall bear interest (as well after as before judgment) payable on demand at the Default Rate from time to time from the due date until the date of actual unconditional and irrevocable payment and discharge of such amount in full, save to the extent that interest at such rate on such amount and for such period is charged pursuant to the Finance Documents relevant to that liability and itself constitutes part of the Secured Obligations.

## **3. CHARGING CLAUSE**

### **3.1 Grant of security**

As a continuing security for the payment, discharge and performance of the Secured Obligations, the Chargor:

#### **3.1.1 Legal mortgage on the Property**

charges to the Lender by way of legal mortgage, the Property;

#### **3.1.2 Fixed charge on other interests**

charges to the Lender by way of fixed charge, to the extent that the Property is not for any reason effectively charged by way of legal mortgage pursuant to Clause 3.1.1, such Property and all the Chargor's other interests in the Property;

#### **3.1.3 Fixed charge over chattels located on Property**

charges to the Lender by way of fixed charge, all buildings and other erections or structures, plant and machinery now or in the future located on, but which in every case are (a) not affixed to nor form part of the Property; and (b) not of a kind regularly disposed of in the ordinary course of business;

#### **3.1.4 Fixed charge on proceeds of insurances**

charges to the Lender by way of fixed charge, all benefits in respect of contracts or policies of insurance taken out by or on behalf of the Chargor in relation to the Charged Assets or (to the extent of its interest) in which the Chargor has an interest, including all proceeds, claims and returns of premium in respect of any such insurance;

#### **3.1.5 Assignment of proceeds of insurance**

to the extent that the contracts or policies of insurance taken out by or on behalf of the Chargor are not effectively charged by way of fixed charge pursuant to Clause 3.1.4, assigns to the Lender by way of security such contracts or policies of insurance including all proceeds, claims and returns or premium in respect of any such insurance, subject to reassignment on redemption;

**3.1.6 Assignment of collateral rights relating to the Property**

assigns to the Lender by way of security the benefit of all covenants, rights, claims, warranties and guarantees relating to the Property including the construction of the Property, its use of or title to the Property, any present or future compensation and damages for the compulsory purchase of, or any blight or disturbance affecting the Property, and the benefit of all easements serving or relating to the Property, subject to reassignment on redemption;

**3.1.7 Assignment of claims**

assigns to the Lender by way of security its rights and interest in any claim against any provider of any certificate of or report on title or the provider of any other due diligence report (in its capacity as provider of the same) in connection with the acquisition, development, financing or refinancing of the Property, subject to reassignment on redemption; and

**3.1.8 Assignment of Rental Income**

assigns to the Lender by way of security its rights and interest in all present or future Rental Income, subject to reassignment on redemption.

**3.2 Full title guarantee and implied covenants**

All the security created or given under this Deed is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

**3.3 Release**

On the Discharge Date (but subject to Clause 16.7 (*Avoidance of settlements and other matters*)) the Lender will at the request and cost of the Chargor release the Charged Assets from the security constituted by this Deed.

**4. NOTICES OF ASSIGNMENT**

**4.1 Notice of assignment of Rental Income and acknowledgement**

The Chargor shall, if required by the Lender at any time whilst an Event of Default is continuing, give notice of assignment of the Rental Income in the form set out in Part 1 of Schedule 4 to each tenant of the Property and shall use its reasonable endeavours to procure that each such tenant executes and delivers to the Lender an acknowledgement of such notice in the form set out in Part 2 of Schedule 4.

**4.2 Lender may give notice**

Nothing in this Clause 4 shall prevent the Lender from giving any notice it considers necessary or desirable in relation to the security created over any Charged Assets at any time whilst an Event of Default is continuing.

**5. LAND REGISTRATION MATTERS**

**5.1 Land Registry - application for restriction**

5.1.1 The Chargor is to apply to the Land Registrar to enter on the register of the title number or title numbers specified in Schedule 1 (or, where no title number is specified in respect of the Property or any part of it, against the title number or title numbers allocated to the Property or such part by the Land Registry) of:

(a) on the Land Registry form RX1, a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*date of this Deed*] in favour of the Secretary of State for Education referred to in the charges register or their conveyancer".

- 5.1.2 The Chargor must submit the relevant applications no later than the date of submission of the application for registration of security created by this Deed and will pay the Expenses incurred in connection with the applications.
- 5.1.3 The Lender, in its absolute discretion, may make any of the applications referred to in Clause 5.1.1 in place of the Chargor. In such a case, the Chargor consents to the entry of the relevant restriction and will pay the Expenses incurred in connection with the application.

## **5.2 Delivery of deed to Land Registry**

The Chargor submitting this Deed or any counterpart to The Land Registry must on each occasion also submit a certified copy of this Deed and request the return of the original and upon the return of the original it must deliver such original to the Lender.

## **6. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**

### **6.1 Negative pledge**

The Chargor shall not create, extend or permit to subsist any Security Interest over any of the Charged Assets.

### **6.2 Restrictions on disposals**

The Chargor shall not sell, transfer or otherwise dispose of its interest (whether legal or beneficial) in the Charged Assets.

### **6.3 Exceptions**

Clauses 6.1 (*Negative pledge*) and 6.2 (*Restrictions on disposals*) do not apply to:

- 6.3.1 the Security Interests created or required to be created by this Deed;
- 6.3.2 the Permitted Security;
- 6.3.3 any Security Interest or transaction to which the Lender has given its prior written consent;
- 6.3.4 any other Security Interest or transaction which is permitted pursuant to the terms of any Finance Document; or
- 6.3.5 a Lease to which the Lender has given his consent or which is permitted by the terms of any Finance Document.

## **7. REPRESENTATIONS AND WARRANTIES**

The Chargor represents and warrants to the Lender on the date of this Deed and on each subsequent date upon which the representations and warranties set out in the Facilities Agreement are repeated by the Borrower as follows:

### **7.1 Status**

it is a limited liability company duly incorporated and validly existing under the laws of England and Wales and has the power to own its assets and carry on its business and other activities as they are being conducted; and

### **7.2 Property**

the Chargor further represents and warrants as set out in Part 2 of Schedule 2 (Property warranties and undertakings).

## **8. UNDERTAKINGS**

The Chargor undertakes to the Lender in the terms of the following provisions of this Clause 8, all such undertakings to commence on the date of this Deed and to continue throughout the Security Period:

### **8.1 Perform**

it will at all times comply with the terms (express or implied) of this Deed and of all contracts relating to the Secured Obligations;

### **8.2 Not to jeopardise security**

it will not do anything or allow anything to be done which may in any way depreciate, jeopardise or otherwise prejudice the value to the Lender of the security constituted by this Deed or the priority of its ranking as expressed in this Deed;

### **8.3 Maintenance**

it will keep the Charged Assets in a good and substantial state of repair, working order and condition;

### **8.4 Property**

it will comply with the provisions of Part 3 of Schedule 2 (*Property warranties and undertakings*);

### **8.5 Further assurance**

it will at all times (and forthwith upon the Lender's written request), but at the Chargor's own expense, take all steps (including the making of all filings and registrations and the payment of all fees and taxes) and execute all documents necessary or, in the reasonable opinion of the Lender, desirable (a) to render effective and valid any security or any right or power created or intended to be created or evidenced under or by this Deed but which is or may be ineffective or invalid, (b) to perfect or protect any such security or to facilitate its enforcement or realisation, or (c) in connection with the exercise of any rights or powers by any Enforcement Party under or in relation to this Deed, and so that any security document required to be executed pursuant to this clause will be in such form and will contain such provisions as the Lender may reasonably require;

### **8.6 Deposit of documents**

subject to the terms of the Intercreditor Agreement, the Chargor will promptly at the request of the Lender deposit with the Lender (or as the Lender directs):

- 8.6.1 all deeds and documents of title relating to the Property including official copies of Land Registry entries, counterpart leases, licences, and any other deeds or documents necessary or desirable to assist the Lender to enforce the security created by this Deed;

- 8.6.2 policies of insurance in respect of which the proceeds of any claims are charged pursuant to this Deed; and
- 8.6.3 all such other documents relating to the Charged Assets as the Lender may from time to time reasonably require.

#### **8.7 Retention of documents**

the Lender may retain any document delivered to it pursuant to Clause 8.6 (*Deposit of Documents*) or otherwise until the Discharge Date and if, for any reason it ceases to hold any such document before such time, it may by notice to the Chargor require that the relevant document be redelivered to it and the Chargor must promptly comply (or procure compliance) with such notice;

#### **8.8 Power to remedy**

if the Chargor fails to comply with any of the covenants and undertakings set out or referred to in Clauses 8.1 to 8.7 inclusive and Part 3 of Schedule 2 (*Property warranties and undertakings*) it will allow (and hereby irrevocably authorises) the Lender and/or such persons as the Lender nominates to take such action (including the making of payments) on behalf of the Chargor as is necessary to ensure that such covenants are complied with; and

#### **8.9 Expenses**

it will pay all Expenses on demand. If it does not do so, the Expenses will bear interest at the Default Rate from and including the date of demand to and including the date of actual payment.

### **9. ENFORCEABILITY**

For the purposes of all powers implied by the LPA or any other applicable statute, the Secured Obligations shall be deemed to have become due and payable and this Deed will become immediately enforceable and the powers of the Lender and any Receiver will become exercisable on the date of this Deed, but, as between the Lender and the Chargor, the power of sale shall be exercisable only upon the occurrence of an Event of Default and for so long as it is continuing (unless there has been a request from the Chargor to the Lender for the appointment of a Receiver in which case it shall be exercisable at any time following the making of such request).

### **10. ENFORCEMENT OF SECURITY**

- 10.1 At any time after the Lender's power of sale has become exercisable, the Lender may without further notice:
  - 10.1.1 appoint one or more than one Receiver in respect of the Charged Assets or any of them and if more than one Receiver is appointed the Receiver may act jointly and severally or individually; or
  - 10.1.2 take possession of the Charged Assets; or
  - 10.1.3 in its absolute discretion enforce all or any part of the security created by this Deed in such other lawful manner as it thinks fit.
- 10.2 The Lender may remove the Receiver and appoint another Receiver and the Lender may also appoint an alternative or additional Receiver.
- 10.3 The Receiver will, so far as the law permits, be the agent of the Chargor and the Chargor alone will be responsible for the acts or defaults of the Receiver and will be liable on any contracts or obligations made or entered into by the Receiver. The Lender will not be responsible for any misconduct, negligence or default of the Receiver.

- 10.4 The powers of the Receiver will continue in full force and effect following the liquidation of the Chargor.
- 10.5 The remuneration of the Receiver may be fixed by the Lender but will be payable by the Chargor. The amount of the remuneration will form part of the Secured Obligations.
- 10.6 The Receiver will have the power on behalf and at the cost of the Chargor:
- 10.6.1 to do or omit to do anything which he considers appropriate in relation to the Charged Assets; and
  - 10.6.2 to exercise all or any of the powers conferred on the Receiver or the Lender under this Deed or conferred upon administrative receivers by the Insolvency Act (even if he is not an administrative receiver), or upon receivers by the LPA or any other statutory provision (even if he is not appointed under the LPA or such other statutory provision).
- 10.7 Without prejudice to the general powers set out in Clause 10.6, a Receiver will also have the powers and discretions set out in Schedule 3 (*Receiver's specific powers*).
- 10.8 The Lender or any Receiver may sever any fixtures from the Property and sell them apart from the Property without taking possession of the Property and apply the net proceeds of such sale in or towards satisfaction of the Secured Obligations.
- 10.9 If the Lender or the Receiver obtains possession of the Property, the Lender or the Receiver may use and remove, store or sell any chattels on the Property, whether or not forming part of the Charged Assets, without being under any liability to the Chargor other than to account for their net proceeds of the sale. All Expenses and liabilities incurred by the Lender or the Receiver in connection with the removal, storage and sale of such chattels will form part of the Secured Obligations.
- 10.10 If (notwithstanding any representation or warranty to the contrary contained in this Deed) there shall be any security affecting the Charged Assets or any of them which ranks in priority to the security created by this Deed and the holder of such prior security takes any steps to enforce such security, the Lender or any Receiver may, at its option, take a transfer of, or repay the indebtedness secured by, such security.
- 10.11 The Lender may, at any time after this Deed has become enforceable pursuant to Clause 9 (*Enforceability*), exercise, to the fullest extent permitted by law, all or any of the powers authorities and discretions conferred on a Receiver by this Deed, whether as attorney of the Chargor or otherwise and whether or not a Receiver has been appointed.
- 10.12 The Lender may, in writing, either in its appointment of a Receiver or by subsequent notice to that Receiver, restrict the right of such Receiver to exercise all or any of the powers conferred on Receivers by this Deed.

## **11. APPLICATION OF PROCEEDS**

### **11.1 Recoveries by Receiver**

The proceeds arising from the exercise of the powers of the Receiver will, subject to any claims ranking in priority to the Secured Obligations, be applied by or at the direction of the Receiver in or towards discharging or satisfying, in the following order of priority:

- 11.1.1 the costs, charges and expenses of and incidental to the Receiver's appointment and the payment of his remuneration;
- 11.1.2 any costs, charges, expenses and liabilities of or incurred by any Enforcement Party in the exercise of any of its powers including all rents, taxes, rates and outgoings whatever affecting the Charged Assets, all premiums on insurances properly payable under this Deed or any applicable statute, the cost of executing necessary or proper



repairs to the Charged Assets, and the payment of annual sums or other payments, and the interest on all principal sums, having priority to the Secured Obligations:

11.1.3 the Secured Obligations, in accordance with the provisions of the Finance Documents and otherwise in such order as the Lender may determine; and

11.1.4 the claims of those persons entitled to any surplus.

## **11.2 Right of appropriation**

The Lender is entitled to appropriate money and/or assets to Secured Obligations in such manner or order as it thinks fit and any such appropriation shall override any appropriation by the Chargor.

## **11.3 Suspense Account**

The Lender may place (for such time as it thinks prudent with regard to applicable laws) any money received by it pursuant to this Deed to the credit of a suspense account (without liability to account for interest thereon) for so long and in such manner as the Lender may from time to time determine without having any obligation to apply that money or any part of it in or towards discharge of the Secured Obligations, unless such money is, in aggregate, sufficient and available to pay and discharge the Secured Obligations in full, in which case the Lender (subject to the Intercreditor Agreement) shall not refrain from applying such amounts in satisfaction of the Secured Liabilities.

## **12. PROTECTION OF THIRD PARTIES**

### **12.1 No duty to enquire**

A buyer from, tenant or other person dealing with any Enforcement Party will not be concerned to enquire whether any of the powers which such Enforcement Party has exercised or purported to exercise have arisen or become exercisable and may assume that such Enforcement Party is acting in accordance with this Deed.

### **12.2 Receipt conclusive**

Receipt by the Lender or any Receiver shall be an absolute and a conclusive discharge to a purchaser of the Charged Assets and shall relieve such purchaser of any obligation to see to the application of any monies paid to or by the direction of the Lender or any Receiver.

## **13. PROTECTION OF LENDER**

### **13.1 Lender's receipts**

The Lender's obligation to account (whether to the Chargor or to any other person) shall be limited to the Lender's own actual receipts which the Lender must distribute or pay to the person entitled (or who the Lender, acting reasonably, believes to be entitled) in accordance with the requirements of this Deed.

### **13.2 Exclusion of liability**

13.2.1 No Enforcement Party will be liable to the Chargor for any expense, loss, liability or damage incurred by the Chargor arising out of the exercise of its rights or powers or any attempt or failure to exercise those rights or powers except any expense, loss, liability or damage arising from its gross negligence, fraud or wilful misconduct.

13.2.2 The Chargor may not take any proceedings against any officer, employee or agent of the Lender in respect of any claim it might have against the Lender or in respect of any act or omission of any kind by that officer, employee or agent in relation to this Deed.

Any officer, employee or agent of the Lender may rely on this Clause 13 under the Third Parties Act.

### **13.3 Effect of possession**

If the Lender or any Receiver enters into possession of the Charged Assets, or any of them, this will not oblige either the Lender or the Receiver to account as mortgagee in possession and if at any time the Lender enters into possession of the Charged Assets, or any of them, it may at any time at its discretion go out of such possession.

### **13.4 Chargor's indemnity**

The Chargor agrees with the Lender to indemnify the Lender and any Receiver or Delegate on demand against any costs, loss or liability incurred by any of them in respect of:

- 13.4.1 any exercise of the powers of the Lender or the Receiver or any attempt or failure to exercise those powers; and
- 13.4.2 anything done or omitted to be done in the exercise or purported exercise of the powers under this Deed or under any appointment duly made under the provisions of this Deed.

## **14. POWER OF ATTORNEY**

### **14.1 Grant of power**

The Chargor irrevocably and by way of security appoints the Lender and each Receiver and any person nominated for the purpose by the Lender or the Receiver (in writing, under hand, signed by an officer of the Lender or by the Receiver) to be the attorney of the Chargor (with full power of substitution and delegation) for the purposes set out in Clause 14.2 below.

### **14.2 Extent of power**

The power of attorney granted in Clause 14.1 above allows the Lender, the Receiver or such nominee in the name of the Chargor and on its behalf and as its act and deed to:

- 14.2.1 perfect the security given by the Chargor under this Deed; and
- 14.2.2 execute, seal and deliver (using the Chargor's seal where appropriate) any document or do any act or thing which the Chargor may, ought or has agreed to execute or do under this Deed but which the Chargor has failed to do, or which the Lender, the Receiver or such nominee may in their absolute discretion consider appropriate in connection with the exercise of any of the rights, powers authorities or discretions of the Lender or the Receiver under, or otherwise for the purposes of, this Deed.

### **14.3 Ratification**

The Chargor covenants with the Lender to ratify and confirm all acts or things made, done or executed by any attorney exercising or purporting to exercise the powers conferred in accordance with this Clause 14.

## **15. APPLICATION, VARIATION AND EXTENSION OF STATUTORY PROVISIONS**

### **15.1 Application of statutory covenants**

The covenants set out in sections 2 to 5 of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to bind the Chargor only if, in any case, the relevant covenant imposes upon the Chargor a burden, liability or obligation that would not otherwise arise under this Deed.

## **15.2 Conditions applicable to power of sale etc.**

- 15.2.1 For the purposes only of section 101 of the LPA, (but otherwise subject to the provisions of Clause 9 (*Enforceability*)), the conditions set out in that section as to when such powers arise do not apply and the Secured Obligations become due and the statutory power of sale and other powers of enforcement arise immediately following the execution of this Deed; and
- 15.2.2 the Lender and any Receiver may exercise the statutory power of sale conferred by the LPA free from the restrictions imposed by section 103 of the LPA, which shall not apply to this Deed.

## **15.3 Extension of powers of sale, etc.**

- 15.3.1 The power of sale and the other powers conferred by the LPA or otherwise are extended and varied to authorise the Lender in its absolute discretion to do all or any of the things or exercise all or any of the powers which a Receiver is empowered to do or exercise under this Deed.
- 15.3.2 The Lender and any Receiver shall also have and enjoy all the other powers, privileges, rights and protections conferred by the LPA and the Insolvency Act on mortgagees, receivers or administrative receivers (each as amended and extended by this Deed and whether or not a receiver or administrative receiver has been appointed) but so that if there is any ambiguity or conflict between the powers contained in such statutes and those contained in this Deed, those contained in this Deed shall prevail.

## **15.4 Consolidation of mortgages**

The restriction on the consolidation of mortgages in Section 93 of the LPA does not apply to this Deed nor to any security given to the Lender pursuant to this Deed.

## **15.5 Powers of leasing, etc - Chargor**

The statutory and other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be exercisable by the Chargor in relation to the Charged Assets or any part thereof.

## **15.6 Powers of leasing, etc - Lender**

The restrictions on the powers of the Lender or the Receiver to grant leases or to accept the surrender of leases in sections 99 and 100 of the LPA do not apply to this Deed.

## **15.7 LPA provisions relating to appointment of Receiver**

Section 109(1) of the LPA shall not apply to this Deed.

## **15.8 Application of proceeds**

Sections 105, 107(2), 109(6) and 109(8) of the LPA will not apply to the Lender nor to a Receiver appointed under this Deed.

## **16. PROTECTION OF SECURITY**

### **16.1 Powers, rights and remedies cumulative**

The powers, rights and remedies provided in this Deed are in addition to (and not instead of) powers, rights and remedies under law.

## **16.2 Exercise of powers, rights and remedies**

If an Enforcement Party fails to exercise any power, right or remedy under this Deed or delays its exercise of any power, right or remedy, this does not mean that it waives that power, right or remedy. If an Enforcement Party exercises, or partly exercises, a power, right or remedy once, this does not mean that it cannot exercise such power right or remedy again, fully or in part.

## **16.3 Discretion**

16.3.1 The Lender may decide:

- (a) whether and, if so, when, how and to what extent (i) to exercise its rights under this Deed and (ii) to exercise any other right it might have in respect of the Chargor (or otherwise); and
- (b) when and how to apply any payments and distributions received for its own account under this Deed,

and the Chargor has no right to control or restrict the Lender's exercise of this discretion.

16.3.2 No provision of this Deed will interfere with the Lender's right to arrange its affairs as it may in its absolute discretion decide (nor oblige it to disclose any information relating to its affairs), except as expressly stated.

## **16.4 Set-off and combination of accounts**

16.4.1 No right of set-off or counterclaim may be exercised by any Chargor respect of any payment due to the Lender under this Deed.

16.4.2 The Lender may at any time after this Deed has become enforceable and without notice to the Chargor:

- (a) combine or consolidate all or any of the Chargor's then existing accounts with, and liabilities to, the Lender;
- (b) set off or transfer any sums standing to the credit of any one or more of such accounts; and/or
- (c) set-off any other obligation owed by the Lender to the Chargor (whether or not matured at such time),

in or towards satisfaction of any of the Secured Obligations. The Lender is to notify the Chargor in writing that such a transfer has been made.

16.4.3 If any amount is in a different currency from the amount against which it is to be set off, the Lender may convert either amount (or both) at any reasonable time and at any reasonable rate.

## **16.5 Power to establish new account**

If the Lender receives notice of a subsequent mortgage or charge relating to the Charged Assets, it will be entitled to close any bank account and to open a new bank account in respect of the closed account. If the Lender does not open such new account, it will be treated as if it had done so at the time when it received such notice.

## **16.6 Information**

The Chargor authorises the holder of any prior or subsequent security to provide to the Lender, and the Lender to receive from such holder, details of the state of account between such holder and the Chargor.

## **16.7 Avoidance of settlements and other matters**

- 16.7.1 Any payment made by the Chargor, or settlement or discharge between the Chargor and the Lender, is conditional upon no security or payment to the Lender by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and accordingly (but without limiting the Lender's other rights under this Deed) the Lender shall be entitled to recover from the Chargor the value which the Lender has placed upon such security or the amount of any such payment as if such payment, settlement or discharge had not occurred.
- 16.7.2 If the Lender, acting reasonably, considers that any amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or ordered to be refunded or reduced for the reasons set out in Clause 16.7.1, then for the purposes of this Deed such amount shall not be considered to have been irrevocably paid.

## **17. COMMUNICATIONS**

- 17.1 Each notice, consent and other communication in respect of this Deed will be effective only if made by letter or electronic mail delivered to the relevant address specified on the execution page(s) of this Deed (or to any substitute address notified in writing by the relevant Party for this purpose) and marked for the attention of the specified department/individual, if applicable. Each communication by letter will be effective only if delivered by hand, sent by first class post (if sent from and to an address in the UK) or sent by airmail (if sent from or to an address elsewhere).
- 17.2 Communications to the Chargor may be sent by electronic mail to the Chargor's most recent e-mail held by the Lender. A communication sent by e-mail shall be deemed to be served when sent provided that the Lender has not received notice that the message is undeliverable. The Chargor undertakes to keep its current e-mail address available and live unless and until it notifies the Lender of an alternative address for the purposes of this Clause 17.2
- 17.3 Each communication will become effective as follows (references to times are to times in the place of delivery of the communication):
- 17.3.1 a hand-delivered letter will be effective as soon as it is delivered (or, if it is delivered after 5pm or on a day that is not a Business Day, it will be effective at 9am on the next Business Day);
- 17.3.2 a letter sent by post from and to an address in the UK will be effective at 9am on the second Business Day after it is posted and a letter sent by airmail from or to an address elsewhere will be effective at 9am on the tenth Business Day after it is posted;
- 17.3.3 each communication to the Lender will become effective only when actually received by the Lender.

## **18. ASSIGNMENT AND TRANSFER**

### **18.1 No assignment by Chargor**

The Chargor may not assign, novate or otherwise deal with its rights or obligations under or interests in this Deed, except with the prior written consent of the Lender.

## **18.2 Transfer by Lender**

- 18.2.1 Save as otherwise provided in the Facilities Agreement, the Lender may at any time assign, novate or otherwise deal with any rights or obligations under or interests in this Deed.
- 18.2.2 The Lender may disclose any information about the Chargor, the Charged Assets and/or this Deed to any person to whom it proposes to assign or novate or transfer (or has assigned, novated or transferred) any rights or obligations under or interests in this Deed, or with whom it proposes to enter into (or has entered into) any other dealings in relation to any such rights, obligations or interests.
- 18.2.3 Any person to whom the benefit of all such rights has been transferred, subject to such obligations, may enforce this Deed in the same way as if it had been a Party instead of the Lender.
- 18.2.4 If the Lender transfers part only of its rights in respect of the Secured Obligations to any person, then this Deed shall thereupon be deemed to have been entered into by the Lender as trustee for such other person.

## **19. GOVERNING LAW AND JURISDICTION**

### **19.1 Governing law**

This Deed is governed by English law.

### **19.2 Jurisdiction**

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a "**Dispute**"). Each Party agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and accordingly neither Party will argue to the contrary. This Clause 19.2 is for the benefit of the Enforcement Parties only. As a result, no Enforcement Party will be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, each Enforcement Party may take concurrent proceedings in any number of jurisdictions.

## **20. THIS DEED**

### **20.1 Consideration**

The Chargor has entered into this Deed in consideration of the Lender agreeing to provide (or to continue to provide) finance facilities to it on the terms agreed between them.

### **20.2 Execution of this Deed - counterparts**

This Deed may be executed in one or more counterparts. If the Parties execute this Deed in separate counterparts, it will take effect as if they had all executed a single copy.

### **20.3 Execution of this Deed - formalities**

This Deed is intended to be a deed even if any Party's execution is not in accordance with the formalities required for the execution of deeds.

### **20.4 Amendments and waivers**

Any provision of this Deed may be amended only if the Lender and the Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be

effective only if given in writing and then only in the instance and for the purpose for which it is given.

#### **20.5 Conflict**

If there is any conflict between the provisions of the Finance Documents and the provisions of this Deed, the provisions of the Finance Documents shall prevail.

#### **20.6 Partial invalidity**

20.6.1 If, at any time, any provision of this Deed is or is found to have been illegal, invalid or unenforceable in any respect under the law of any jurisdiction, this does not affect the legality, validity or enforceability of the other provisions of this Deed, nor the legality, validity or enforceability of the affected provision under the law of any other jurisdiction.

20.6.2 If any Party is not bound by this Deed (or any part of it) for any reason, this does not affect the obligations of each other Party under this Deed (or under the relevant part).

#### **20.7 Other security**

This Deed is in addition to, and does not operate so as in any way to prejudice or affect, or be prejudiced or affected by, any other security or guarantee which the Lender may now or at any time after the date of this Deed hold for or in respect of the Secured Obligations.

#### **20.8 Ownership of this Deed**

This Deed and every counterpart is the property of the Lender.

#### **20.1 Intercreditor Agreement**

This deed shall be subject to the terms of the Intercreditor Agreement. In the event of any inconsistency between the terms of this deed and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

**This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.**

## **SCHEDULE 1**

### **Details of Property**

1. The leasehold land and buildings known as The West Stand, Bucks Head Football Ground, Watling Street, Wellington, Telford and registered at HM Land Registry under title number SL164161.
2. The freehold land and buildings known as Bucks Head Football Ground, Watling Street, Wellington, Telford (now known as The Telford Whitehouse Hotel, Watling St, Wellington, Telford TF1 2NJ) and registered at HM Land Registry under title number SL134435.



## **SCHEDULE 2**

### **Property warranties and undertakings**

#### **Part 1**

#### **Definitions applicable to Schedule 2**

<b>Adverse Property Effect</b>	<p>in the reasonable opinion of the Lender a material and adverse effect on:</p> <ul style="list-style-type: none"><li>(a) the value or marketability of the Property;</li><li>(b) the ability of the Chargor to use the Property for the purposes for which it is currently used; or</li><li>(c) the validity or enforceability of, or the effectiveness or ranking of the security created or purported to be created by this Deed in relation to the Property or the rights or remedies of the Lender under this Deed;</li></ul> <p>and so that:</p> <ul style="list-style-type: none"><li>(i) in this Schedule 2 the words "would have an Adverse Property Effect" are to be construed as meaning "would or might reasonably be expected to have an Adverse Property Effect"; and</li><li>(ii) reference in any part of this Schedule 2 to matters, events or circumstances having an Adverse Property Effect are to be construed as if such matters, events or circumstances were taken together with all other matters, events or circumstances arising under any paragraph of such part of Schedule 2 which would, on such construction, in aggregate have an Adverse Property Effect.</li></ul>
<b>Certificate of Title</b>	each certificate of title, prepared by Irwin Mitchell LLP relating to the Property and addressed to, and/or capable of being relied upon by, the Lender.
<b>Direction</b>	any notice or order served on or issued to the Chargor by any local or other authority (whether under the Planning Acts or otherwise) in respect of Property.
<b>Lease</b>	any lease, agreement for lease, tenancy, contractual licence or other document which gives a person who is not the Chargor the right to occupy, use or enjoy the Property.
<b>Licensing Acts</b>	the Licensing Act 2003, the Licensing Act 1964 (to the extent not repealed) the Betting Gaming and Lotteries Act 1963, the Gaming Act 1968 and all other legislation in force for the time being relating to the regulation and sale of alcohol, the provision of entertainment and late night refreshment or the regulation of betting, gaming or lotteries or the location or provision of gaming or amusement machines.
<b>Planning Acts</b>	the Town and Country Planning Acts 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential

Provisions) Act 1990, the Planning and Compensation Act 1991 and any order, regulations or permission made or granted under or by virtue of such Acts or any of them.

## **Part 2**

### **Property Warranties**

#### **1. CERTIFICATE OF TITLE**

- 1.1 The information provided to the lawyers who have signed or were engaged in the preparation of each Certificate of Title was true and complete in all material respects at the date upon which it was given;
- 1.2 such information did not omit any factual matter which, if disclosed, would have an Adverse Property Effect; and
- 1.3 since the date upon which the information referred to at paragraph 1.1 above was first supplied to such lawyers, no event or circumstance has arisen, nor further information come to the knowledge of the Chargor, which would render that information first supplied untrue or misleading in any material respect or which, if disclosed, would have an Adverse Property Effect.

#### **2. MATTERS AFFECTING THE PROPERTY**

Subject to matters expressly disclosed in each Certificate of Title relating to the Property:

- 2.1 the Chargor is the legal and beneficial owner of the Property for the estate set out in relation to each part of the Property in Schedule 1 (*Details of Property*);
- 2.2 the Property is free from security or third party rights of any kind whatever save as mentioned in Clause 6.3;
- 2.3 the Property is free from any tenancies or licences to occupy which would have an Adverse Property Effect;
- 2.4 nothing has arisen or been created or is subsisting which would be an overriding interest over the Property which, when taken with all like events, would have an Adverse Property Effect;
- 2.5 there is no dispute regarding boundaries, easements, covenants or other matters relating to any part of the Property or its use which the Chargor believes, or has reasonable grounds to believe, is likely to be adversely determined and, which if so, would have an Adverse Property Effect;
- 2.6 all material covenants (whether affecting the freehold or leasehold titles to the Property) have been properly performed and observed and the Chargor has received no notice of any outstanding breach of any material covenant as regards the Property which would have an Adverse Property Effect;
- 2.7 all Authorisations required or desirable for the continued use of the Property for its present purpose have been obtained and have not been (and the Chargor is not aware of any circumstance having arisen whereby they might be) withdrawn;
- 2.8 there is no covenant, restriction, burden, stipulation or outgoing (other than usual business outgoings) affecting the Property which conflicts with its present use and which would have an Adverse Property Effect;
- 2.9 there subsists no material breach of any Planning Acts or other law, regulation or covenant which would have an Adverse Property Effect;

## **Part 3**

### **Property Undertakings**

#### **1. NO CHANGES TO THE PROPERTY**

It will not without the prior written consent of the Lender:

- 1.1 make any application for the grant of planning permission within the meaning of the Planning Acts; nor
- 1.2 demolish all or any part of the Property; nor
- 1.3 destroy or remove from the Property any other of the Charged Assets now or at any time after the date of this Deed located in or on the Property; nor
- 1.4 make any additions or structural or other material alteration to the Property; nor
- 1.5 create or permit to arise any overriding interest, easement or right over the Property; nor
- 1.6 enter into negotiations with any competent agency of local or national government with a view to the compulsory acquisition of the Property nor consent to such acquisition; nor
- 1.7 enter into any agreement under section 106 of the Town and Country Planning Act 1990, section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or any other agreement with any local government, planning or regulatory authority to build roads or carry out other works; nor
- 1.8 change the use of the Property or do or suffer to be done anything in relation to the Property which constitutes development (as that expression is defined in the Town and Country Planning Act 1990),

if, in any case, such action might have an Adverse Property Effect.

#### **2. COMPLY WITH COVENANTS**

It will observe and perform all other covenants, agreements, restrictions, stipulations and conditions from time to time affecting its interest in the Property or the mode of user or the enjoyment of it and will promptly pay all present and future tax, rates, assessments and outgoings of whatsoever nature imposed upon or payable in respect of the Property, or by the owner or occupier thereof.

#### **3. COMPLY WITH AUTHORISATIONS AND STATUTES**

It will observe and comply with the terms of all Authorisations relating to the Property and will not do or allow or omit to be done any act, matter or thing whereby any provisions of, or regulations made under, the Planning Acts or any other statute having application to the Property may be infringed.

#### **4. INSPECTION**

Subject to the terms of any Lease to which the Property is subject, it will permit the Lender and/or such person or persons as it reasonably nominates at all reasonable times during business hours and on not less than 3 Business Days prior written notice to the Chargor to enter into and upon the Property to view its state and condition and forthwith after service by the Lender of notice of any defect or want of repair without delay promptly remedy such defect or want of repair.

## **5. DISPOSALS OF FIXTURES**

It will not sever or dispose of any fixtures now or at any time hereafter affixed to the Property otherwise than in the ordinary course of maintenance or replacement.

## **6. LEASES**

It will:

- 6.1 not grant any Lease or otherwise part with or share possession of the Property (except where the prior written consent of the Lender has been obtained);
- 6.2 in the case of a Lease to which the Lender has given its consent:
  - 6.2.1 not exercise any right of re-entry, nor accept the surrender of the whole or any part of the premises comprised in such Lease nor vary the terms of such Lease, without in any such case having first obtained the written consent of the Lender;
  - 6.2.2 not agree to any reduction in, nor capitalisation of, the rent payable under such Lease, nor agree any rent review, nor grant any approval or consent, without in any such case having first obtained the written consent of the Lender;
  - 6.2.3 use reasonable endeavours to procure the payment by such tenant, lessee, licensee or grantee to whom any Lease has been granted of the rents or other fees or monies reserved by and the observance and performance of the covenants, stipulations and conditions contained in such Lease and itself observe and perform the covenants, stipulations and conditions on the part of the Chargor to be observed and performed under such Lease; and
  - 6.2.4 give prompt notice in writing to the Lender if any tenant, lessee, licensee or grantee under any Lease withholds any rent or other monies falling due or exercise any right of set-off or purport or threaten to do any of the foregoing.

## **7. INSURANCE**

It will insure and keep insured the Property with a reputable independent insurance company or underwriters previously approved by the Lender in writing:

- 7.1 in the names of the Chargor and the Lender as co-insured;
- 7.2 subject to the terms of the Intercreditor Agreement, on the basis that the relevant policies of insurance contain an endorsement (in form and substance reasonably satisfactory to the Lender) naming the Lender as loss payee in respect of all claims arising under such policies in excess of £1,000 (other than in respect of any claim under any public liability and third party liability insurances);
- 7.3 against such risks and contingencies as the Lender from time to time reasonably requires;
- 7.4 in a value equal to the full cost of reinstatement from time to time including proper provision for cost inflation over any period that might be required for planning and negotiation and the reconstruction period plus the cost of demolition and debris removal and architects', surveyors' and all other professional fees and the cost of complying with local authority and other statutory requirements;
- 7.5 upon terms to include a clause acceptable to the Lender which provide that no breach of any of the terms of the relevant policies of insurance by the Chargor or any tenant of any part of the Property will, as regards the Lender, invalidate such policies;
- 7.6 upon terms that the relevant insurance company or underwriters confirm in favour of the Lender that the insurance cover will not be altered or cancelled without prior reference to the Lender; and

- 7.7 otherwise in such form and upon such terms as the Lender agrees (such agreement not to be unreasonably withheld or delayed).

## **8. DIRECTIONS**

Within seven days after receipt by the Chargor of any Direction served on or issued to it by any local or other authority (whether under the Planning Acts or otherwise) in respect of the Property it will:

- 8.1 give full particulars of the Direction to the Lender and, if so requested by the Lender, produce the Direction or a copy of it to the Lender;
- 8.2 advise the Lender from time to time of the steps taken or proposed to be taken by the Chargor to comply with the terms of the Direction;
- 8.3 without delay (unless otherwise directed by the Lender) take all reasonable or necessary steps to comply with the Direction;
- 8.4 at the request of the Lender (but at the cost of the Chargor) make or join with the Lender in making such objections or representations against or in respect of any proposal contained in the Direction as the Lender deems expedient in order to protect the Lender's security interest in the Property; and
- 8.5 subject to the terms of the Intercreditor Agreement, apply any compensation received as a result of the implementation of the Direction in the reduction of the Secured Obligations or (at the option of the Lender) deposit the same with the Lender upon such terms as to set-off, assignment and/or charge or otherwise as the Lender requires.

## **9. LICENSED PREMISES**

If at any time during the Security Period the Chargor (or any officer or employee of the Chargor) holds any licence or registration certificate or other Authorisation under the Licensing Acts allowing intoxicating liquors to be sold, or the provision of entertainment or late night refreshments or betting or gaming facilities from or the location of gaming or amusement machines on the Property, the Chargor agrees with the Lender:

- 9.1 to procure that there shall be obtained, renewed and maintained the proper licence, certificate of registration or other Authorisation in a form acceptable to the Lender and, if requested by the Lender, to produce such licence, certificate or other Authorisation to the Lender;
- 9.2 not to do or omit or allow anything to be done which may prejudice the continued existence or renewal of such licence, certificate or other Authorisation;
- 9.3 as soon as the Chargor becomes aware of anything which is likely to affect the continued existence of such licence, certificate or other Authorisation or result in the conditions to such licence or certificate being varied, to advise the Lender in writing;
- 9.4 so far as it is usual within the trade to do so, to insure and to keep such licence, certificate or Authorisation insured against loss, termination or non-renewal and the provisions of paragraphs 7 and 8 of this part of Schedule 2 apply to such insurance as if they were now repeated; and
- 9.5 at any time after this Deed has become enforceable, the Chargor will upon the request of any Enforcement Party do anything or sign any documents which such Enforcement Party may require to assist in the transfer of such licence, certificate or other Authorisation to any other person.

### **SCHEDULE 3**

#### **Receiver's specific powers**

The Receiver will have full power and authority:

**1. POSSESSION**

- 1.1 to enter upon, take possession of and generally operate and manage the Charged Assets and any business carried on at the Property;
- 1.2 to collect and get in all rents, fees, charges or other income of the Charged Assets;

**2. SALE AND DISPOSAL**

without restriction, to sell, charge, grant, vary the terms or accept surrenders of, leases or tenancies of, licences to occupy, or options or franchises over or otherwise deal with and dispose of the Charged Assets or any property acquired in exercise of its powers under this Deed;

**3. ACQUISITION**

- 3.1 to purchase or acquire any land or other assets and purchase, acquire or grant any interest in or right over land;
- 3.2 to take a lease or tenancy of any property required or convenient for the exercise of the Receiver's powers under this Deed;

**4. LEASES**

to exercise on behalf of the Chargor and without the consent of or notice to the Chargor all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to leasehold property, landlord and tenant, rents, housing or agriculture in respect of the Property;

**5. BORROWING**

for the purpose of exercising any of the rights, powers, authorities and discretions conferred on the Receiver by or pursuant to this Deed and/or for defraying any losses or Expenses which may be incurred by him in their exercise or for any other purpose, to raise or borrow any money from the Lender or others or to incur any other liability on such terms, whether secured or unsecured, as he may think fit, and whether to rank in priority to this security or not;

**6. EMPLOYMENT ETC.**

to appoint and discharge employees, officers, consultants, advisers, managers, agents, solicitors, accountants or other professionally qualified persons, workmen and others for any of the purposes of this Deed or to guard or protect the Charged Assets upon such terms as to remuneration or otherwise as he may think fit and to discharge any such persons appointed by the Chargor prior to his appointment;

**7. LEGAL ACTIONS AND COMPROMISES**

- 7.1 in the name of the Chargor, to bring, prosecute, enforce, defend and discontinue all such actions, suits and proceedings, in relation to the Chargor, the Charged Assets or any business carried on from the Property, as in any case he thinks fit;
- 7.2 to settle, adjust, refer to arbitration or expert determination, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or body who is or claims to be a creditor of the Chargor or relating in any way to the Charged Assets;

**8. RECEIPTS**

to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Charged Assets;

**9. WORKS AND MAINTENANCE**

to obtain Authorisations for and to carry out on the Property any new works or complete any unfinished works of development, building, reconstruction, maintenance, repair, renewal, improvement, furnishing or equipment;

**10. CONTRACTS**

to enter into, vary, cancel or waive any of the provisions of any contracts which he shall in any case think expedient in the interests of the Chargor or the Lender;

**11. SUPPLIES**

to purchase materials, tools, equipment, goods or supplies on such terms and at such price as the Receiver in the Receiver's absolute determination thinks fit;

**12. INSURANCES AND BONDS**

to insure the Charged Assets, any assets acquired by the Receiver in exercise of his powers, and any business or works, and effect indemnity insurance or other similar insurance, in every case in such amounts, against such risks and with such offices as the Receiver thinks fit, and obtain bonds and give indemnities and security to any bondsmen;

**13. SEVERANCE RIGHTS**

to sever fixed plant, machinery or other fixtures and store, sell or otherwise deal with them separately from the Property to which they may be annexed;

**14. CHATTELS**

to remove, store, sell or otherwise deal with any chattels located at the Property;

**15. FORM COMPANY**

15.1 to promote or establish any company or to acquire shares in any company (whether as a subsidiary of the Chargor or otherwise) to facilitate the exercise of his powers under this Deed;

15.2 to transfer to any such company all or any of the Charged Assets or other assets acquired by the Receiver in exercise of his powers;

15.3 to exercise or cause to be exercised all voting and other rights attaching to, and to charge, sell or otherwise transfer any shares in any such company;

**16. TRANSACTION**

to carry into effect and complete any transaction;

**17. REDEEM SECURITY**

to redeem any prior security (or procure the transfer of such security to himself) and settle and pass the accounts of the person entitled to the prior security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver;

**18. GENERAL**

either in the name of the Chargor or in the name of the Receiver to execute documents and do all other acts or things which the Receiver may consider to be incidental or conducive to any of the Receiver's powers or to the realisation or use of the Charged Assets.



## SCHEDULE 4

### Part 1

#### Notice of Assignment to Tenant

To: [●]

[Date]

Dear Sirs

We refer to a lease dated [●] (**Lease**) between us and you in respect of [●] (**Demised Property**).

We give you notice by a legal charge dated [●] entered into between us and [●] (**Lender**), we have assigned to the Lender all our rights and interest in all amounts now or at any time in the future payable to us under or in connection with the Lease including but not limited to each of the following amounts:

1. rent, licence fees and equivalent amounts paid or payable;
2. any sum received or receivable from any deposit held as security for performance of your obligations;
3. a sum equal to any apportionment of rent allowed our favour;
4. any other moneys paid or payable in respect of occupation and/or usage of the Demised Property and any fixture and fitting on the Demised Property including any fixture or fitting on the Demised Property for display or advertisement, on licence or otherwise;
5. any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement or extension of the Lease;
6. any sum paid or payable in respect of a breach of covenant or dilapidations under the Lease;
7. any sum paid or payable by or distribution received or receivable from any guarantor of your obligations under the Lease;
8. any amount paid or payable to us by you by way of contribution to ground rent, insurance premia, the cost of an insurance valuation, a service or other charge in respect of our costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, the Demised Property or a reserve or sinking fund or by way of VAT; and
9. any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above,

(together, **Rental Income**).

We irrevocably instruct and authorise you notwithstanding any previous instructions which we may have given to you to the contrary to pay all Rental Income to our account at [●] (Account No. [●]) under reference [●] (**Rent Account**) or to such other account and/or bank as may from time to time be notified to you by the Lender all moneys forming part of the Rental Income and otherwise to act in accordance with the instructions of the Lender in connection with the Rental Income

This notice and any non-contractual obligations arising out of or in connection with this notice are governed by the law of England.

Would you please acknowledge receipt of this notice and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at [●].

Yours faithfully

[●]

## Part 2

### Acknowledgement

To: [●]

[Date]

Dear Sirs

We acknowledge receipt of a notice (a copy of which is attached) dated [●] and addressed to us by [●] (**Chargor**). Expressions defined in such notice have the same meanings in this acknowledgement.

We acknowledge and confirm that:

1. we will pay the Rental Income into the Rent Account or to such other account and/or bank as the Lender may from time to time notify to us;
2. we have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action against the Rental Income.

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England and Wales [and in connection with any proceedings with respect to this acknowledgement and any such non-contractual obligations we submit to the jurisdiction of the Courts of England and Wales for your exclusive benefit].

Yours faithfully

[●]

## EXECUTION

### CHARGOR

Executed as a deed by **SHROPSHIRE COLLEGE MANAGEMENT LIMITED** acting by a director, in the presence of:

Director

*Signature (Witness)*

*Print Name*

*Address* ...

*Occupation*

Address: Shropshire College Management Limited of New College Telford King Street, Wellington, Telford, TF1 1NY

E-mail:

Attention:

**LENDER**

The **CORPORATE SEAL** of

**THE SECRETARY OF STATE FOR EDUCATION**  
herewith affixed is authenticated by

.....  
Authorised by the Secretary of State

Address: Sanctuary Buildings, 20 Great Smith St, Westminster, London SW1P 3BT

E-mail: RestructuringFacility@sfa.bis.gov.uk

Attention: Eileen Milner