



Registration of a Charge

Company Name: **PRAETURA ASSET FINANCE (HOLDINGS) LIMITED**

Company Number: **08763412**



Received for filing in Electronic Format on the: **08/11/2021**

XAGSRLXM

Details of Charge

Date of creation: **25/10/2021**

Charge code: **0876 3412 0003**

Persons entitled: **PAF LOANCO LIMITED**

Brief description:

Contains fixed charge(s).

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

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 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: **HILL DICKINSON LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8763412

Charge code: 0876 3412 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th October 2021 and created by PRAETURA ASSET FINANCE (HOLDINGS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th November 2021 .

Given at Companies House, Cardiff on 9th November 2021

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**

Execution version

HILL DICKINSON

Dated 25 October 2021

COMPOSITE GUARANTEE AND DEBENTURE
between

- (1) The Companies listed in Schedule 1
- and
- (2) PAF LoanCo Limited

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THIS DEED is made on **25 October 2021**

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 (each a **Group Company** and together the **Group Companies**); and
- (2) **PAF LOANCO LIMITED** a company registered in England and Wales (company number 13448790) whose registered office is at Bauhaus, Quay Street, Manchester, United Kingdom M3 3GY (**Noteholder**).

WITNESSES as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this deed the following words and expressions shall, save where the context or the express provisions of this deed otherwise requires or admits, have the following respective meanings:

Assets means the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of each Group Company;

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

Certificate means each certificate in respect of the J Loan Notes;

Company means Praetura Asset Finance Limited, a company incorporated and registered in England and Wales (registered number 08426091) whose registered office is at Ewood House Walker Road, Guide, Blackburn, England, BB1 2QE;

Delegate means any delegate, agent, attorney or co-trustee appointed by the Noteholder;

J Loan Note Instrument means the instrument constituting the J Loan Notes entered into by the Company on or around the date of this deed as amended, amended and restated, varied or supplemented from time to time;

J Loan Notes means the £70,000,000 fixed rate secured J loan notes 2024 in issue from time to time to the Noteholder pursuant to the J Loan Note Instrument, including any certificates issued pursuant to the J Loan Note Instrument and any conditions attached thereto, each as amended and/or varied from time to time in accordance with their terms;

Intercreditor Agreement means the intercreditor agreement entered into between, amongst others, the Noteholder, the Group Companies, the Security Trustees and Leumi ABL Limited as provider of senior debt facilities to Praetura Asset Finance Limited;

Receiver means any receiver, manager or receiver and manager appointed by the Noteholders under this deed;

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, surety or in

any other capacity whatsoever) of the Group Companies to the Noteholder under the Transaction Documents, including any obligations and liabilities of the Group Companies to third parties assigned, novated or otherwise vested in the Noteholder together with (i) all interest, fees, costs, charges and expenses which the Noteholder may charge or incur under the Transaction Documents; (ii) all obligations and liabilities arising under or in connection with any refinancing, novation, refunding, deferral or extension of any obligations or liabilities under the Transaction Documents, and (iii) any amounts which would be included in any of the above but for any discharge non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings.

Transaction Documents means:

- (a) this deed;
- (b) each Certificate;
- (c) the J Loan Note Instrument; and
- (d) any other document designated as such by the Noteholder and the Company

1.2 Interpretation and construction

1.2.1 In this deed, unless the context otherwise requires:

- 1.2.1.1 clause headings are inserted for ease of reference only and are not to affect the interpretation of this deed;
- 1.2.1.2 references to clauses are to clauses of this deed;
- 1.2.1.3 words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- 1.2.1.4 reference to a person are to be construed to include corporations, firms, companies, partnerships, individuals, associations, states and administrative and governmental and other entities whether or not a separate legal entity;
- 1.2.1.5 references to any person are to be construed to include references to that person's successors transferees and assigns whether direct or indirect;
- 1.2.1.6 reference to any other documents referred to in this deed shall be construed as a reference to such documents as amended and/or restated from time to time and be deemed to include any instruments amending, varying, supplementing, novating or replacing the terms respectively thereof from time to time;
- 1.2.1.7 references to any statutory provision are to be construed as references to that statutory provision as amended supplemented re-enacted or replaced from time to time (whether before or after the date of this deed) and are to include any orders, regulations, instruments or other subordinated legislation made under or deriving validity from that statutory provision;
- 1.2.1.8 **including** shall not be construed as limiting the generality of the words preceding it; and
- 1.2.1.9 any term or phrase defined in the Companies Act 2006 (as amended from time to time) shall bear the same meaning in this deed.

1.3 **Intercreditor Agreement**

This deed is subject to the Intercreditor Agreement. If there is any conflict or inconsistency between the terms of this deed and the terms of the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

2 **COVENANT TO PAY**

Each Group Company as principal debtor and not merely as surety, hereby jointly and severally covenants with the Noteholder that it will pay or discharge the Secured Liabilities when the same are due and payable in the manner provided in the J Loan Notes.

3 **GUARANTEE AND INDEMNITY**

Each Group Company hereby irrevocably and unconditionally, jointly and severally:

- 3.1 guarantees to the Noteholder the due and punctual payment, observance and performance of the Secured Liabilities owing by each other Group Company when and as the same shall become due;
- 3.2 as principal debtor undertakes to the Noteholder that if and each time another Group Company is in default in the payment or performance of any of the Secured Liabilities, it will on demand from the Noteholder make good the default and pay all sums which may be payable in respect thereof as if it instead of such Group Company were the principal debtor in respect thereof, together with interest thereon at the rate per annum from time to time payable by such Group Company on such sums from the date when such sums become payable by that Group Company hereunder until payment of the Secured Liabilities in full; and
- 3.3 agrees as a primary obligation to indemnify the Noteholder on demand from and against any loss incurred by the Noteholder in connection with the non-payment or non-performance of any of the Secured Liabilities owing by any other Group Company or as a result of the being or becoming void, voidable, unenforceable or ineffective of any of the Secured Liabilities or any of the J Loan Notes as against any other Group Company for any reason whatsoever, whether or not known to the Noteholder or to any other person, the amount of such loss being the amount which the person or persons suffering it would otherwise have been entitled to recover from such Group Company.

4 **CHARGING PROVISIONS**

- 4.1 Each Group Company with full title guarantee hereby charges to the Noteholder as a continuing security for the payment or discharge of the Secured Liabilities:

4.1.1 by way of fixed charge:

- 4.1.1.1 all estates or interests in any freehold or leasehold property belonging to the Group Company now or at any time after the date of this deed together with all buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property;
- 4.1.1.2 all present and future interests of the Group Company in or over land or the proceeds of sale of it and all present and future licences of the Group Company to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures) which are at any time on the property charged under this deed;
- 4.1.1.3 all present and future plant and machinery not otherwise charged under this clause 4.1.1.3 and all other present and future chattels of the Group Company (excluding any of the same for the time being forming part of the Group Company's stock in trade or work in progress);

- 4.1.1.4 all rights and interests in and claims under all policies of insurance and assurance held or to be held by or insuring to the benefit of the Group Company and the benefit of all rights and claims to which the Group Company is now or may be entitled under any contracts;
- 4.1.1.5 all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copyright, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Group Company or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Group Company or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world;
- 4.1.1.6 all the Group Company's goodwill and uncalled capital for the time being;
- 4.1.1.7 all present and future book and other debts and monetary claims of the Group Company whether payable now or in the future and the benefit of all present and future rights and claims of the Group Company against third parties relating to them and capable of being satisfied by the payment of money; and
- 4.1.1.8 all present and future bank accounts, cash at bank and credit balances of the Group Company with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest);
- 4.1.2 by way of floating charge all the Assets not effectively otherwise mortgaged, charged or assigned by this clause 4.1.
- 4.2 Any mortgage, fixed charge or other fixed security created by the Group Companies in favour of the Noteholder shall have priority over the floating charge created by this deed, except insofar as the Noteholder shall declare otherwise whether at or after the time of creation of such fixed security.
- 4.3 The Noteholder may at any time, by notice to any Group Company, immediately convert the floating charge created under clause 4.1.2 into a fixed charge over any Assets specified in that notice and the floating charge will, without notice from the Noteholder, automatically be converted with immediate effect into a fixed charge:
 - 4.3.1 in respect of any Assets which become subject to a fixed charge in favour of any other person;
 - 4.3.2 in respect of all the Assets charged under clause 4.1.2 if and when the Group Company ceases to carry on business or to be a going concern; and
 - 4.3.3 in respect of all the Assets on the making of an order for the compulsory winding-up of the Group Company, on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Group Company or the taking of any steps (including, without limitation, the making of an application or the giving of any notice) by the Group Company or any other person for the appointment of an administrator in respect of the Group Company.
- 4.4 The Group Companies will not without the previous written consent of the Noteholder, which shall not be unreasonably withheld or delayed:

- 4.4.1 create or attempt to create or permit to subsist any mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or encumbrance on all or any of their Assets; or
 - 4.4.2 sell, transfer, assign, factor, lease or otherwise dispose of or part with possession in any way of all or any of their Assets (other than any Assets the subject of a floating charge (but not any fixed charge or mortgage) on arm's length terms in the ordinary course of trading); or
 - 4.4.3 in any way dispose of the equity of redemption of any such Asset or any interest in any such Asset.
- 4.5 The Group Companies shall apply for a restriction to be entered on the Register of Title of all present and future registered freehold and leasehold property of the Group Companies in the following terms:
- "No disposition or charge or other security interest 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 dates of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated **[date]** in favour of PAF LoanCo Limited referred to in the Charges Register or, if appropriate, signed on behalf of such proprietor by its authorised signatory".
- 4.6 The Group Companies (at their own cost) will on demand in writing by the Noteholder execute and deliver in such form as the Noteholder may reasonably require:
- 4.6.1 a legal mortgage of any freehold or leasehold property of the Group Company and of any freehold or leasehold property acquired by the Group Company after the date of this deed;
 - 4.6.2 a fixed charge or assignment in security of any Asset subject to a floating charge under clause 4.1.2; and
 - 4.6.3 a chattel mortgage over such chattels, plant and machinery as the Noteholder may specify,
- and the Group Companies will execute such other deeds, documents, agreements and instruments and will otherwise do and concur in all such other acts or things as the Noteholder 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 Assets or the exercise of any rights of the Noteholder hereunder.
- 4.7 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 to the Enterprise Act 2002) shall apply to any floating charge created pursuant to this deed.

5 CONTINUING SECURITY

This security will be a continuing security for the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities and will be without prejudice and in addition to any other right, remedy or security of whatever sort which the Noteholder may hold at any time for the Secured Liabilities or any other obligation whatsoever and will not be affected by any release, reassignment or discharge of such other right remedy or security.

6 UNDERTAKINGS

- 6.1 Each Group Company will:
 - 6.1.1 at all times comply with the terms of this deed;

- 6.1.2 keep the Assets in good and substantial repair and in good working order and condition, ordinary wear and tear excepted;
- 6.1.3 preserve and maintain all intellectual property rights owned or used by the Group Company;
- 6.1.4 comply in all material respects with the terms of all applicable laws and regulations including (without limitation) all environmental laws, legislation relating to public health, town & country planning, control and handling of hazardous substances or waste, fire precautions and health and safety at work;
- 6.1.5 promptly notify the Noteholder of the acquisition by any Group Company of any estate or interest in any freehold or leasehold property;
- 6.1.6 deposit with the Noteholder all deeds, certificates and documents of title relating to the Assets or any part thereof charged by this deed and all policies of insurance and assurance;
- 6.1.7 promptly pay or cause to be paid and indemnify the Noteholder and any Receiver against all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever now or at any time in the future payable in respect of any of its properties (or any part thereof) or by the owner or occupier thereof;
- 6.1.8 not make any structural or material alteration to or to the use of any of its properties or do or permit to be done anything which is a "development" within the meaning of the Town and Country Planning Acts from time to time (or any orders or regulations under such Acts) or do or permit to be done any act, matter or thing where to do so would have a material and adverse effect on the value of any of its properties or on the marketability of any of such properties;
- 6.1.9 not grant any lease of, part with possession or share occupation of, the whole or any part of any of its properties or confer any licence, right or interest to occupy or grant any licence or permission to assign, under-let or part with possession of the same in any way which is likely to have a material and adverse effect upon the value of any of such properties;
- 6.1.10 not vary, surrender, cancel or dispose of, or permit to be forfeit, any leasehold interest in any of its properties;
- 6.1.11 observe and perform all covenants, agreements and stipulations from time to time affecting its interest in any of its properties or contained in any lease, agreement for lease or tenancy agreement under which any part of such properties may be held;
- 6.1.12 notify the Noteholder immediately in the event of any creditor executing diligence against the Group Company or any distress or execution is levied or enforced against the Group Company or any third party debt order or freezing order is made and served on the Group Company;
- 6.1.13 notify the Noteholder immediately if any steps (including, without limitation, the making of any application or the giving of any notice) are taken by any person (including, without limitation, the Group Company) in relation to the administration, receivership, winding-up or dissolution of the Group Company;
- 6.1.14 not to allow any person other than itself to be registered under the Land Registration Act 1925 or Land Registration Act 2002 (as appropriate) as proprietor of any of its properties (or any part thereof) or create or permit to arise any overriding interest (as specified in Section 70(1) of the Land Registration Act 1925 or as specified in Schedule 1 or Schedule 3 to the Land Registration Act 2002) affecting any such property; and

- 6.1.15 not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of its Assets.

7 **SECURITY PROTECTIONS**

- 7.1 If any Group Company fails to keep any of the Assets in good and substantial repair and in good working order and condition or does not take out and maintain such insurances as set out above or prove to the Noteholder that the premiums and other monies have been paid then the Noteholder may (as he thinks fit) repair and keep in repair the Assets or any of them (and for that purpose it or any of its agents may enter upon the properties of the Group Company) or take out or renew any such insurance in any sum and on terms as the Noteholder may think fit.
- 7.2 The Noteholder will be entitled to be paid the proceeds of any policy of insurance of the Group Companies (other than in respect of employers' or public liability) and the Group Companies will promptly irrevocably instruct any insurer of a policy to pay the proceeds of it to the Noteholder and undertakes to the Noteholder to repeat that instruction if the Noteholder requires.
- 7.3 All monies received on any insurance policy of the Group Companies (unless paid to the Noteholder in terms of clause 7.2) will, as the Noteholder requires, be applied either in making good the loss or damage in respect of which the money is received or in or towards discharge of the Secured Liabilities.
- 7.4 The Group Companies will permit any authorised representative of the Noteholder at all reasonable times to enter upon any part of the properties of the Group Companies and of any other property where the Group Companies may be carrying out any contract or other works and to inspect the Group Companies' books of account and other books and documents and those of its subsidiaries.
- 7.5 No statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies of the whole or any part of the properties charged under this deed will be capable of being exercised by any Group Company without the previous written consent of the Noteholder.
- 7.6 The Group Companies shall not be entitled to part with possession (otherwise than on the determination of any lease, tenancy or licence) of any properties hereby charged, or to share the occupation thereof with any other person or persons, or to surrender or purport to surrender or permit to be forfeited the lease of any leasehold property hereby charged without the prior written consent of the Noteholder.
- 7.7 The obligations of the Group Companies under this deed will not be affected by any act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate them from any of their obligations hereunder in whole or in part, including (without limitation):
- 7.7.1 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Noteholder may have now or in the future from or against the Group Companies or any other person in respect of the Secured Liabilities;
 - 7.7.2 any act or omission by the Noteholder or any other person in taking up, perfecting or enforcing any security or guarantee from or against the Group Companies or any other person or the invalidity or unenforceability of any such security or guarantee;
 - 7.7.3 any amendment to, or variation of, the J Loan Notes (or any of them);
 - 7.7.4 any grant of time, indulgence, waiver or concession to the Group Companies or any other person;

- 7.7.5 any arrangement or compromise entered into between the Noteholder and the Group Companies or any other person;
- 7.7.6 the administration, insolvency, bankruptcy, liquidation, winding-up, dissolution, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name and style of, the Group Companies or any other person;
- 7.7.7 the invalidity, illegality, unenforceability, irregularity or frustration of the Secured Liabilities or any of the obligations of the Group Companies; and
- 7.7.8 any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any other person resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order.

8 IMMEDIATE RECOURSE

Each Group Company waives any right it may have of first requiring the Noteholder to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Group Company under this deed. This waiver applies irrespective of any law to the contrary.

9 DEFERRAL OF GROUP COMPANY'S RIGHTS

- 9.1 Until all of the Secured Liabilities have been irrevocably paid in full and unless the Noteholder otherwise directs, no Group Company will exercise any rights that it may have by reason of performance by it of its obligations under this deed or by reason of any amount being payable, or liability arising, under this deed:
 - 9.1.1 to be indemnified by a Group Company;
 - 9.1.2 to claim any contribution from any other Group Company;
 - 9.1.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Noteholder under this deed;
 - 9.1.4 to bring legal or other proceedings for an order requiring any Group Company to make any payment, or perform any obligation, in respect of which any Group Company has given a guarantee, undertaking or indemnity under clause 3;
 - 9.1.5 to exercise any right of set-off against any Group Company; and/or
 - 9.1.6 to claim or prove as a creditor of any Group Company in competition with the Noteholder.
- 9.2 If a Group Company receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Noteholder by any Group Company under or in connection with the Secured Liabilities or this deed to be repaid in full on trust for the Noteholder and shall promptly pay or transfer the same to the Noteholder.

10 ENFORCEMENT

- 10.1 The security constituted by this deed shall become enforceable and the Noteholder may exercise all the powers conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this deed), all the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986 and all or any of the rights and powers conferred by this deed without further notice to the Group Companies upon and at any time after the occurrence of any of the following events:

- 10.1.1 if any Group Company has failed to pay all or any of the Secured Liabilities in accordance with clause 2;
 - 10.1.2 any step is taken (including, without limitation, the making of an application or the giving of any notice) by a Group Company or by any other person to appoint an administrator in respect of any Group Company;
 - 10.1.3 any step is taken (including, without limitation, the making of an application or the giving of any notice) by a Group Company or any other person to wind up or dissolve any Group Company or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer to any Group Company or any part of its undertaking or assets; and
 - 10.1.4 the making of a request by the Group Company for the appointment of a Receiver or administrator.
- 10.2 Section 103 of the Law of Property Act 1925 will not apply to this deed but the statutory power of sale will as between the Noteholder and a purchaser from the Noteholder arise on and be exercisable at any time after the execution of this deed provided that the Noteholder will not exercise the power of sale until payment of all or any part of the Secured Liabilities has been demanded or a Receiver has been appointed but this proviso will not affect a purchaser or put him upon inquiry whether such demand or appointment has been validly made.
- 10.3 The statutory powers of sale, leasing and accepting surrenders exercisable by the Noteholder under this deed are extended so as to authorise the Noteholder whether in his own name or in that of any Group Company to grant a lease or leases of the whole or any part or parts of the freehold and leasehold property of the Group Company with whatever rights relating to other parts of it and containing whatever covenants on the part of the Group Company and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Noteholder thinks fit.
- 10.4 Section 93 of the Law of Property Act 1925 (consolidation of mortgages) will not apply to this deed.
- 11 APPOINTMENT OF RECEIVER OR ADMINISTRATOR**
- 11.1 At any time after the security constituted by this deed has become enforceable the Noteholder shall be and is entitled by instrument in writing to appoint any one or more persons as:
- 11.1.1 a Receiver of all or any of the Assets; and/or
 - 11.1.2 an administrator of any Group Company,
- in each case in accordance with and to the extent permitted by applicable laws.
- 11.2 Where more than one Receiver is appointed they will have power to act separately (unless the appointment specifies to the contrary).
- 11.3 Any appointment over part only of the Assets charged under this deed will not preclude the Noteholder from making any subsequent appointment of a Receiver over any part of the Assets over which an appointment has not previously been made by him.
- 11.4 The Noteholder may from time to time determine the remuneration of the Receiver and may (subject to Section 45 of the Insolvency Act 1986) remove the Receiver from all or any part of the Assets of which he is the Receiver and at any time after any Receiver has vacated office or ceased to act, appoint a further Receiver over all or any part of those Assets.
- 11.5 The Receiver will be the agent of the Group Company (which will be solely liable for his acts, defaults and remuneration) and will have and be entitled to exercise in relation to the Group Company all the powers set out in Schedule 1 to the Insolvency Act 1986 and all the powers

conferred from time to time on Receivers by statute and in particular by way of addition to but without prejudice to those powers (and those of the Noteholder) the Receiver will have power:

- 11.5.1 to sell, let or lease or concur in selling, letting or leasing and to vary the terms or determine, surrender or accept surrenders of leases or tenancies of or grant options and licences over all or any part of the Assets and so that any such sale may be made for cash payable by instalments or for shares or securities of another company and the Receiver may promote or concur in promoting a company to purchase the Assets to be sold;
 - 11.5.2 to sever any fixtures (including trade and tenant's fixtures) from the property of which they form part;
 - 11.5.3 to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Assets, including, without limitation, all voting and other rights attaching to stocks, shares and other securities owned by the Group Company;
 - 11.5.4 to make and effect all repairs and improvements;
 - 11.5.5 to redeem any prior encumbrance and to settle and pass the accounts of the encumbrancer and any accounts so settled and passed will (subject to any manifest error) be conclusive and binding on the Group Company and the monies so paid will be deemed to be an expense properly incurred by the Receiver;
 - 11.5.6 to promote the formation of a subsidiary or subsidiaries of the Group Company, including, without limitation, any such company formed for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Group Company;
 - 11.5.7 to make any arrangement or compromise which the Noteholder or the Receiver may think fit;
 - 11.5.8 to make and effect all repairs, renewals, improvements, and insurances;
 - 11.5.9 to appoint managers officers and agents for any of the purposes referred to in this clause 11 at such salaries as the Receiver may determine; and
 - 11.5.10 to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise incidental or conducive to the preservation, improvement or realisation of the Assets.
- 11.6 No purchaser or other person dealing with the Noteholder, any Receiver or any agent or delegate thereof shall be obliged or concerned to enquire whether the right of the Noteholder or any Receiver to exercise any of the powers conferred by or referred to in this deed has arisen or become exercisable, whether any of the Secured Liabilities remain outstanding or be concerned with notice to the contrary or whether an event has occurred to authorise the Noteholder or any Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power.

12 POWER OF ATTORNEY

Each Group Company irrevocably and by way of security appoints the Noteholder (whether or not a Receiver or administrator has been appointed) and also (as a separate appointment) any Receiver or administrator severally as the attorney and attorneys of the Group Company, for the Group Company 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 Group Company under this deed or may be required or deemed proper in the exercise of any rights or powers conferred on the Noteholder or any Receiver or administrator hereunder or otherwise for any of the purposes of this deed.

13 APPLICATION OF SECURITY PROCEEDS

- 13.1 Any monies 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:
- 13.1.1 in or towards satisfaction of all costs, charges and expenses incurred, and payments made, by the Noteholder and/or the Receiver or administrator including the remuneration of the Receiver or administrator;
 - 13.1.2 in or towards satisfaction of the Secured Liabilities;
 - 13.1.3 as to the surplus (if any) to the person(s) entitled to it; and
 - 13.1.4 provided that the Receiver or administrator may retain any monies in his hands for so long as he thinks fit, and the Noteholder may, without prejudice to any other rights the Noteholder may have at any time and from time to time, place and keep for such time as the Noteholder may think prudent any monies received, recovered or realised under or by virtue of this deed in an account opened by the Noteholder without any intermediate obligation on the part of the Noteholder to apply such monies or any part of such monies in or towards the discharge of the Secured Liabilities.
- 13.2 Subject to clause 13.1, any monies received or realised by the Noteholder from the Group Company or a Receiver under this deed or any administrator may be applied by the Noteholder to any item of account or liability or transaction in such order or manner as the Noteholder may determine.

14 COSTS AND EXPENSES

The Group Companies shall pay or reimburse to the Noteholder on demand (on a full indemnity basis) all costs, charges and expenses (including legal fees) incurred or to be incurred by the Noteholder in the enforcement or discharge of this deed (including, without limitation, the costs of any proceedings in relation to this deed or the Secured Liabilities), which costs, charges and expenses shall form part of the Secured Liabilities.

15 NOTICES

- 15.1 Any notice given pursuant to this deed shall be in writing signed by, or on behalf of, the person issuing the notice. Any notice may be delivered by hand, or by prepaid recorded delivery first class post to:
- 15.1.1 in the case of the Group Companies:
 - address: Ground Floor, Giants Basin, Potato Wharf, Manchester, England M3 4NB
 - marked for the attention of: Lisa Wood
 - 15.1.2 in the case of the Noteholder:
 - address: Bauhaus, Quay Street, Manchester, United Kingdom M3 3GY
 - marked for the attention of: Peadar O'Reilly
- or, in relation to any Party, such other address for service in the United Kingdom as that Party may from time to time notify to the other Parties.
- 15.2 In the absence of evidence of earlier receipt and subject to clause 15.3, a notice served in accordance with clause 15.1 shall be deemed to have been received:

- 15.2.1 if delivered by hand, at the time of actual delivery to the address referred to in clause 15.1; and
- 15.2.2 if delivered by prepaid recorded delivery first class post, two Business Days from the date of posting.
- 15.3 If deemed receipt under clause 15.2 occurs on a day which is not a Business Day or after 5.00 pm on a Business Day, the relevant notice shall be deemed to have been received at 9.00 am on the next Business Day.
- 15.4 For the avoidance of doubt, notice given under this deed shall not be validly served if sent by e-mail.

16 MISCELLANEOUS

- 16.1 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.
- 16.2 No failure or delay by the Noteholder 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.
- 16.3 The Noteholder will be entitled to disclose to his auditors or advisors confidential information concerning this deed or any arrangement made in connection with this deed.
- 16.4 Save to the extent expressly provided to the contrary in this deed, a person who is not a party to this deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
- 16.5 A certificate by the Noteholder as to the amount of the Secured Liabilities or any part of them shall, in the absence of manifest error, be conclusive and binding on the Group Companies.
- 16.6 No amendment, modification or waiver of, or any consent with regard to, any provision of this deed shall in any event be effective unless the same is in writing, and signed and delivered by the Noteholder and then such amendment, modification, waiver or consent shall be effective only in the specific instance for the purpose for which it was given.

17 RELEASE

If the Noteholder is satisfied that the Secured Liabilities have been unconditionally and irrevocably repaid or discharged in full, the Noteholder will at the request and cost of the Group Companies take whatever action is required in order to release the Assets from the security constituted by this deed.

18 COUNTERPARTS

This deed may be signed in any number of counterparts and by different parties to this deed on separate counterparts. Each of such counterparts shall, when executed and delivered to the Noteholder, constitute one and the same instrument.

19 GOVERNING LAW

This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed according to English law.

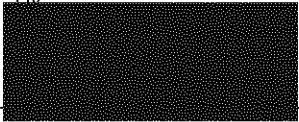
IN WITNESS whereof this deed has been executed as a deed the day and year first written above.

SCHEDULE 1

GROUP COMPANIES

Company name	Company number
Praetura Asset Finance Limited	08426091
Praetura Asset Finance(Holdings) Limited	08763412

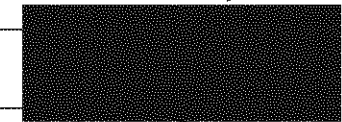
EXECUTED (but not delivered until the date)
hereof) as a Deed by **PRAETURA**)
ASSET FINANCE LIMITED acting)
by:)



Signature of director

Peadar O'Reilly

Name of director

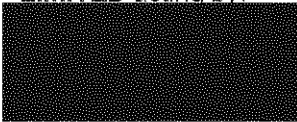


Signature of director/secretary

Jack Daniel Summers

Name of director/secretary

EXECUTED (but not delivered until the date)
hereof) as a Deed by **PRAETURA**)
ASSET FINANCE (HOLDINGS))
LIMITED acting by:)



Signature of director

Peadar O'Reilly

Name of director

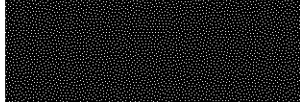


Signature of director/secretary

Jack Daniel Summers

Name of director/secretary

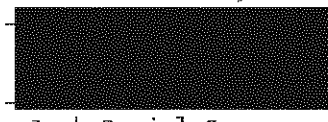
EXECUTED (but not delivered until the date)
hereof) as a Deed by **PAF LOANCO**)
LIMITED acting by:)



Signature of director

Peadar O'Reilly

Name of director



Signature of director/secretary

Jack Daniel Summers

Name of director/secretary