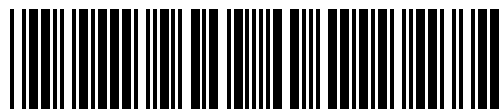




Registration of a Charge

Company Name: **ASE II DEVELOPMENTS LIMITED**

Company Number: **09587671**



Received for filing in Electronic Format on the: **08/12/2023**

XCHYJ0OP

Details of Charge

Date of creation: **30/11/2023**

Charge code: **0958 7671 0001**

Persons entitled: **IAN NIGEL PATTERSON
M.W. TRUSTEES LIMITED**

Brief description: **THE FREEHOLD PROPERTY REGISTERED AT HM LAND REGISTRY
UNDER TITLE YWE67226 KNOWN AS LAND AT SWEET STREET
FOUNDRY, DERWENT VIEW, HOLBECK, LEEDS LS11 9TH.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT 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: **ADDLESHAW GODDARD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9587671

Charge code: 0958 7671 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th November 2023 and created by ASE II DEVELOPMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th December 2023 .

Given at Companies House, Cardiff on 13th December 2023

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**



Dated 30 November 2023

ASE II DEVELOPMENTS LIMITED
as Chargor

IAN NIGEL PATTERSON AND M.W. TRUSTEES LIMITED
as Chargee

**CHARGE BY WAY OF LEGAL
MORTGAGE IN RESPECT OF
LAND AT SWEET STREET
FOUNDRY, DERWENT VIEW,
HOLBECK, LEEDS**

Contents

	Clause	Page
1	Definitions and interpretation.....	1
2	Conflict with the Sale Agreement.....	3
3	Covenant to pay	3
4	Charging provisions.....	4
5	Continuing security	5
6	Undertakings	5
7	Further assurance	6
8	Land Registry	6
9	Security power of attorney.....	7
10	Enforcement of security.....	7
11	Receiver.....	8
12	Delegation.....	12
13	Application of monies	12
14	Remedies and waivers	13
15	Protection of third parties.....	13
16	Additional security	13
17	Settlements conditional	13
18	Subsequent Security	14
19	Set-off	14
20	Notices.....	14
21	Invalidity.....	14
22	Assignment.....	14
23	Currency clauses.....	14
24	Certificates and determinations.....	15
25	Exclusion of liability	15
26	Fees, costs and expenses.....	15
27	Release.....	16
28	Counterparts	16
29	Governing law.....	16
30	Enforcement	16
Schedule 1		
	Property	18

This Deed is made on

30 November

2023

Between

- (1) **ASE II Developments Limited** (Company No. 09587671) whose registered office is at Sloane Square House, Holbein Place, London, SW1W 8NS England (**Chargor**); and
- (2) **Ian Nigel Patterson** of [REDACTED] and **M.W. Trustees Limited** (Company No. 02630203) whose registered office is at 1 New Walk Place, Leicester, LE1 6RU United Kingdom as the trustees of The Patterson Group Limited Directors Pension Scheme (together, **Chargee**).

It is agreed

1 Definitions and interpretation

1.1 Definitions

In this Deed:

Agreement for Lease means an agreement to grant an Occupational Lease or all or part of the Secured Property

ASE II Group Entity means a company, limited liability partnership, limited partnership or Scottish limited partnership that is majority or wholly owned within the corporate group headed by ASE Holdings II Sarl

Business Days means a working day under the Sale Agreement

Enforcement Event means

- (a) the Chargor does not pay on the due date:
 - (i) the deferred consideration under the Sale Agreement within 5 Business Days of it becoming due and payable;
 - (ii) any amount owing or incurred by the Chargor to the Chargee under this Deed; or
 - (iii) any interest payable on the sums referred to in (i) to (ii) (inclusive)
- (b) a mortgagee takes possession of or exercises or seeks to exercise any power of sale or of an appointment of a receiver in relation to the Secured Property
- (c) the Chargor ceases to carry on its business or a significant part of it (except as part of a solvent reconstruction approved by the Chargee) or suspends payment of its debts or is unable or is deemed to be unable to pay its debts within the meaning of Section 123 (1) of the Insolvency Act 1986
- (d) any step is taken (including, without limitation, the making of an application or the giving of any notice) to appoint an administrator in respect of the Chargor

- ~~(e)~~ any steps are taken (including, without limitation, the making of an application or the giving of any notice) to wind up or dissolve the Chargor or to appoint a liquidator, trustee, administrative receiver or similar officer in respect of the Chargor or any part of its undertaking or assets or a receiver in respect of the Secured Property or any analogous procedure or step is taken in any jurisdiction, unless, in the case of a winding-up petition, such winding-up petition is frivolous or vexatious and is discharged, stayed or dismissed within 21 days of commencement
- (f) any event occurs or proceedings are taken in respect of the Chargor in any jurisdiction to which it is subject which has an effect equivalent or similar to any of the events mentioned in paragraphs (d) to (f) (inclusive) above
- (g) the Chargor fails to materially comply with its obligations under clause 6 of this Deed, unless such failure to comply is capable of remedy and is remedied within 15 Business Days of the earlier of: (i) the Chargee giving notice to the Chargor; and (ii) the Chargor becoming aware of the failure to comply
- (h) any provision of this Deed is or becomes, for any reason, invalid, unlawful, unenforceable, terminated (other than in accordance with the terms of this Deed), or ceases to be effective or to have full force and effect, and this materially and adversely affects the interests of the Chargee under this Deed

Fixtures means, in respect of the Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of this Deed on that Secured Property

Lease Document means:

- (a) an Agreement for Lease; or
- (b) an Occupational Lease

Party means a party to this Deed

Property means the property described in Schedule 1

Occupational Lease means any lease or licence or easement or other right of occupation or right to receive rent to which the Secured Property may at any time be subject and includes any subsisting guarantee of a tenant's obligations under the same

Receiver means any receiver, manager or administrative receiver appointed by the Chargee in respect of the Chargor or any of the Secured Assets

Sale Agreement means an agreement for the sale of the Property dated 10 October 2022 and made between, amongst others, the Parties

Secured Assets means the assets and undertaking of the Chargor which are the subject of any Security created by, under or supplemental to, this Deed in favour of the Chargee

Secured Obligations means:

- (a) the obligations and liabilities due, owing or incurred by the Chargor to pay all deferred consideration under the Sale Agreement together with any interest accruing on such sums; and
- (b) all monies and liabilities now or after the date of this Deed due, owing or incurred by the Chargor to the Chargee under this Deed

Secured Property means the Property

Security means a mortgage, charge, pledge, lien, assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Security Period means the period beginning on the date of this Deed and ending on the date on which all Secured Obligations have been paid and discharged in full

1.2 Interpretation

- (a) Unless otherwise defined in this Deed, a term defined in the Sale Agreement has the same meaning when used in this Deed or any notices, acknowledgements or other documents issued under or in connection with this Deed.
- (b) In this Deed the term **dispose** includes any sale, lease, licence, transfer or loan.
- (c) An Enforcement Event is **continuing** if it has not been waived in writing by the Chargee.
- (d) Clause 1.3 of the Sale Agreement is incorporated in this Deed as if set out here in full but so that each reference in that clause to **this Agreement** shall be read as a reference to this Deed.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in the Sale Agreement, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.
- (b) Unless expressly provided to the contrary in Sale Agreement the consent of any person who is not a Party is not required to rescind or vary this Deed.

2 Conflict with the Sale Agreement

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

3 Covenant to pay

The Chargor covenants with the Chargee to pay and discharge the Secured Obligations when they become due for payment and discharge in accordance with the terms of the Sale Agreement or this Deed.

4 Charging provisions

4.1 General

All Security created by the Chargor under clauses 4.2 to 4.3 inclusive is:

- (a) as continuing security for the payment and discharge of the Secured Obligations;
- (b) granted with full title guarantee;
- (c) granted in respect of all the right, title and interest (if any), present and future, of the Chargor in and to the relevant Secured Asset; and
- (d) granted in favour of the Chargee.

4.2 First legal mortgages

The Chargor charges by way of first legal mortgage the Secured Property and all Fixtures on the Secured Property.

4.3 First fixed charges

The Chargor charges by way of first fixed charge:

- (a) the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property;
- (b) the benefit of all other agreements, instruments and rights relating to its Secured Property; and
- (c) to the extent that any legal mortgage in clause 4.2 is ineffective as a legal mortgage, the assets referred to in that clause.

4.4 Documents of title

The Chargor shall:

- (a) within 5 Business Days of the execution of this Deed deposit with the Chargee all deeds, certificates and other documents in its possession constituting or evidencing title to the Secured Property (or otherwise procure that any such deeds, certificates and other documents are held to the order of the Chargee on terms acceptable to the Chargee); and
- (b) deposit with the Chargee at any time after the date of this Deed any further deeds, certificates and other documents constituting or evidencing title to the Secured Property, promptly upon coming into possession of them (or otherwise procure that any such deeds, certificates and other documents are held to the order of the Chargee on terms acceptable to the Chargee).

5 Continuing security

5.1 Continuing security

The Security constituted by this Deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by the Chargor or any other person of the whole or any part of the Secured Obligations.

5.2 Recourse

The Security constituted by this Deed:

- (a) is in addition to any other Security which the Chargee may hold at any time for the Secured Obligations (or any of them); and
- (b) may be enforced without first having recourse to any other rights of the Chargee.

6 Undertakings

- (a) The Chargor shall not create or permit to subsist any Security over any of the Secured Assets unless permitted by the Chargee in writing or in accordance with this Deed.
- (b) The Chargor shall not without the Chargee's prior approval (such consent not to be unreasonably withheld or delayed) (each such matter referred to in paragraphs (i) to (iii) below, a **Consent Matter**):
 - (i) enter into a Lease Document;
 - (ii) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, transfer or otherwise dispose of any Secured Assets; or
 - (iii) create or permit to subsist any Security over any of the Secured Assets.
- (c) Paragraph (b)(ii) above shall not apply to: (i) any transaction pursuant to which the Secured Property is transferred to a ASE II Group Entity (a **ASE II Group Entity Purchaser**), **provided that** the ASE II Group Entity Purchaser creates Security over the Property in favour of the Chargee on the same terms as this Deed; or (ii) any transaction, the proceeds of which are sufficient to discharge the Secured Obligations in full.
- (d) Paragraph (b)(iii) shall not apply to any Security over any of the Secured Assets which priority ranks behind the priority of the Security created under this Deed.
- (e) The Chargor must exercise its material rights and comply in all material respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Secured Property.
- (f) The Chargor must ensure that all Fixtures on the Secured Property are in, and maintained in:
 - (i) good and substantial repair and condition and, as appropriate, in good working order; and

- (ii) such repair, condition and, as appropriate, good working order as to enable them to be let in accordance with all applicable laws and regulations.

(g) The Chargor may not:

- (i) make or allow to be made any application for planning permission in respect of any part of the Secured Property; or
- (ii) carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of the Secured Property,

which would, in any case, be reasonably likely to materially adversely affect the value of the Secured Property without the consent of the Chargee (such consent not to be unreasonably withheld or delayed).

6.2 The Chargor must, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to the Secured Property (or any part of it) deliver a copy to the Chargee and inform the Chargee of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice.

7 Further assurance

7.1 The Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee may reasonably specify (and in such form as the Chargee may reasonably require) in favour of the Chargee or its nominee(s):

- (a) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this Deed or for the exercise of any rights, powers and remedies of the Chargee provided by or pursuant to this Deed or by law; and
- (b) to confer on the Chargee, Security over any of the Secured Assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed.

7.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Chargee by or pursuant to this Deed.

7.3 Any document required to be executed by the Chargor under this clause will be prepared at the cost of the Chargor.

8 Land Registry

8.1 Application for restriction

- (a) In relation to land and buildings comprised within the Secured Property situated in England and Wales title to which is registered or is to be registered at the Land Registry, the Chargor consents to an application being made to the Chief Land Registrar for

registration of the following restriction on the register of title (including any unregistered properties subject to compulsory first registration at the date of this Deed) in the following form :

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated 30 November 2013 in favour of Ian Nigel Patterson and M.W. Trustees Limited (Company No. 02630203) as the trustees of The Patterson Group Limited Directors Pension Scheme referred to in the charges register."

- (b) The Chargor confirms that so far as any of the Secured Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003.

9 Security power of attorney

- (a) Subject to paragraph (b) below, the Chargor, by way of security, irrevocably and severally appoints the Chargee, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney lawfully does or purports to do pursuant to its appointment under this clause 9.
- (b) This power of attorney shall only be exercisable following the occurrence of an Enforcement Event that is continuing.

10 Enforcement of security

10.1 When security is enforceable

On the occurrence of any Enforcement Event which is continuing, the Security created by and under this Deed is immediately enforceable.

10.2 Acts of enforcement

The Chargee may, at its absolute discretion, at any time after the Security created by or under this Deed is enforceable:

- (a) enforce all or any part of the Security created by or under this Deed in any manner it sees fit;
- (b) exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this Deed, and rights and powers conferred on a Receiver by this Deed, whether or not it has taken possession or appointed a Receiver to any of the Secured Assets;
- (c) appoint a Receiver to all or any part of the Secured Assets;
- (d) if permitted by law, appoint an administrator in respect of the Chargor and take any steps to do so;
- (e) exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this Deed); or

- (f) if permitted by law, appoint an administrative receiver in respect of the Chargor.

10.3 Statutory powers - general

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this Deed.
- (c) The statutory powers of leasing conferred on the Chargee are extended so that, without the need to comply with any provision of section 99 or section 100 of the Law of Property Act 1925, the Chargee is empowered to lease and make agreements for lease at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it may think fit.
- (d) Each Receiver and the Chargor is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and Receivers.

10.4 Mortgagee in possession - no liability

Neither the Chargee nor any Receiver will be liable, by reason of entering into possession of a Secured Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might otherwise be liable, unless caused by negligence, wilful default or fraud.

10.5 Redemption of prior mortgages

At any time after the Security created by or under this Deed has become enforceable, the Chargee may, at the sole cost of the Chargor (payable to the Chargee on demand):

- (a) redeem any prior form of Security over any Secured Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargor.

11 Receiver

11.1 Appointment of Receiver

- (a) At any time after any Security created by or under this Deed is enforceable, the Chargee may appoint a Receiver to all or any part of the Secured Assets in accordance with clause 10.2(c) (Acts of enforcement).
- (b) At any time, if so requested in writing by the Chargor, without further notice, the Chargee may appoint a Receiver to all or any part of the Secured Assets as if the Chargee had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925.

- (c) Any Receiver appointed under this Deed shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or entered into by him and in no circumstances whatsoever shall the Chargee be in any way responsible for any misconduct, negligence or default of the Receiver.
- (d) Where the Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986:
 - (i) obtaining a moratorium, or
 - (ii) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986,

shall not be grounds for appointment of a Receiver.

11.2 Removal

The Chargee may by written notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receiver) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated.

11.3 Powers of Receiver

(a) General

- (i) In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 11.3.
- (ii) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.
- (iii) A Receiver who is an administrative receiver of the Chargor has all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986.
- (iv) A Receiver may, in the name of the Chargor:
 - (A) do all other acts and things which he may consider expedient for realising any Secured Asset; and
 - (B) exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.

(b) **Borrow money**

A Receiver may raise and borrow money (either unsecured or on the security of any Secured Asset, either in priority to the security constituted by this Deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

(c) **Carry on business**

A Receiver may manage the Secured Property as he thinks fit and, for the avoidance of doubt, a Receiver may apply for such authorisations as he considers in his absolute discretion appropriate.

(d) **Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Secured Asset.

(e) **Delegation**

A Receiver may delegate his powers in accordance with clause 12 (Delegation).

(f) **Employees**

For the purposes of this Deed, a Receiver as he thinks appropriate, on behalf of the Chargor or for itself as Receiver, may:

- (i) appoint and discharge managers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and
- (ii) discharge any such persons appointed by the Chargor.

(g) **Leases**

A Receiver may let the Secured Property for any term and at any rent (with or without a premium) which he thinks proper and may accept a surrender of any lease or tenancy of the Secured Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

(h) **Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the Chargor in relation to any Secured Asset as he considers expedient.

(i) **Possession**

A Receiver may take immediate possession of, get in and collect any Secured Asset.

(j) **Protection of assets**

A Receiver may, in each case as he may think fit:

- (i) make and effect all repairs and insurances and do all other acts which the Chargor might do in the ordinary conduct of its business be they for the protection or for the improvement of the Secured Assets;
- (ii) commence and/or complete any building operations on the Secured Property or other Secured Asset; and
- (iii) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence.

(k) **Receipts**

A Receiver may give valid receipts for all monies and execute all assurances and things which may be expedient for realising any Secured Asset.

(l) **Sale of assets**

A Receiver may sell, exchange, convert into monies and realise any Secured Asset by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit. Fixtures and any plant and machinery annexed to any part of the Secured Property may be severed and sold separately from the property containing them without the consent of the Chargor.

(m) **Deal with Secured Assets**

A Receiver may, without restriction sell, let or lease, or concur in selling, letting or leasing, or vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over or otherwise dispose of or deal with, all or any part of the Secured Assets without being responsible for loss or damage, and so that any such sale, lease or disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration. The Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase, lease, licence or otherwise acquire interests in all or any of the Secured Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Secured Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

(n) **Security**

A Receiver may redeem any prior Security 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.

(o) **Development**

A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on, any real property comprised in the Secured Property and do all acts and things incidental to the Secured Property.

(p) **Landlord's obligations**

A Receiver may on behalf of the Chargor and without consent of or notice to the Chargor exercise all the powers conferred on a landlord or a tenant by the Landlord and Tenants Acts, the Rents Acts and Housing Acts or any other legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Secured Property.

(q) **Incidental matters**

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and to use the name of the Chargor for all the purposes set out in this clause 11.

11.4 Remuneration

The Chargee may from time to time fix the remuneration of any Receiver appointed by it.

12 Delegation

12.1 The Chargee and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Chargee and the Receiver (as appropriate) under this Deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Chargee and Receiver (as appropriate) may think fit.

12.2 The Chargee and any Receiver will not be liable or responsible to the Chargor or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate.

13 Application of monies

13.1 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

13.2 All monies received by the Chargee or any Receiver under this Deed and applied in discharge of the Secured Obligations shall be applied to the Secured Obligations in such order as the Chargor may determine.

13.3 The Chargee and any Receiver may place any money received, recovered or realised pursuant to this Deed in an interest bearing suspense account and it may retain the same for such period

as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations.

14 Remedies and waivers

- 14.1 No failure to exercise, nor any delay in exercising, on the part of the Chargee or any Receiver, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.
- 14.2 A waiver given or consent granted by the Chargee or any Receiver 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.

15 Protection of third parties

- 15.1 No person (including a purchaser) dealing with the Chargee or a Receiver or its or his agents has an obligation to enquire of the Chargee, Receiver or others:
- (a) whether the Secured Obligations have become payable;
 - (b) whether any power purported to be exercised has become exercisable;
 - (c) whether any Secured Obligations or other monies remain outstanding;
 - (d) how any monies paid to the Chargee or to the Receiver shall be applied; or
 - (e) the status, propriety or validity of the acts of the Receiver or the Chargee.
- 15.2 The receipt of the Chargee or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Chargee or any Receiver.
- 15.3 In clauses 15.1 and 15.2 **purchaser** includes any person acquiring, for money or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Assets or any of them.

16 Additional security

The Security created by or under this Deed is in addition to and is not in any way prejudiced by any guarantee or security now or subsequently held by the Chargee for the discharge and performance of the Secured Obligations.

17 Settlements conditional

- 17.1 If the Chargee (acting reasonably) believes that any amount paid by the Chargor or any other person in respect of the Secured Obligations is capable of being avoided or set aside for any reason, then for the purposes of this Deed, such amount shall not be considered to have been paid.
- 17.2 Any settlement, discharge or release between the Chargor and the Chargee shall be conditional upon no Security or payment to or for the Chargee by the Chargor or any other person being

avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

18 Subsequent Security

If the Chargee receives notice of any other subsequent Security or other interest affecting all or any of the Secured Assets it may open a new account or accounts for the Chargor in its books. If it does not do so then, unless it gives express written notice to the contrary to the Chargor, as from the time of receipt of such notice by the Chargee, all payments made by the Chargor to the Chargee shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations.

19 Set-off

The Chargee may, set off any matured obligation due from the Chargor against any matured obligation owed by the Chargee to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

20 Notices

Any communication under this Deed or any other Security created by or under this Deed, shall be made and given in accordance with the applicable terms of the Sale Agreement

21 Invalidity

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 in any way be affected or impaired.

22 Assignment

The Chargee may assign all or any part of its rights under this Deed or any Security created by or under it without the prior consent of the Chargor provided that:

- 22.1 prior to any such assignment the Chargee provides the Chargor with such anti-money laundering and "know your customer" information as is reasonably required by the Chargor to allow it to discharge its anti-money laundering obligations; and
- 22.2 information provided in accordance with clause 22.1 does not indicate that the proposed assignee is a sanctioned person/organisation, associated with a sanctioned person/organisation, linked or has links to terrorism or is associated with a person who has these links or is involved or associated with a person/organisation that is involved with criminal activities.

23 Currency clauses

If a payment is made to the Chargee under this Deed in a currency (**Payment Currency**) other than the currency in which it is expressed to be payable (**Contractual Currency**), the Chargee may convert that payment into the Contractual Currency at the rate at which it (acting reasonably

and in good faith) is able to purchase the Contractual Currency with the Payment Currency on or around the date of receipt of the payment and to the extent that the converted amount of the payment falls short of the amount due and payable the Chargor will remain liable for such shortfall.

24 Certificates and determinations

Any certification or determination by the Chargee of a rate or amount under this deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

25 Exclusion of liability

25.1 No liability

Neither the Chargee nor any Receiver shall be liable in respect of all or any part of the Secured Assets or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers unless such loss or damage is caused by its gross negligence or wilful acts of default, fraud or recklessness.

25.2 Officers and agents

The Chargor may not take proceedings against any officer, employee or agent of the Chargee in respect of any claim it might have against the Chargee or in respect of any act or omission of any kind by that officer, employee or agent and any officer, employee or agent of the Chargee may rely on this clause.

26 Fees, costs and expenses

26.1 Transaction expenses

Each Party shall pay its own costs and expenses incurred by it in connection with the negotiation, preparation, printing, execution and perfection of this Deed.

26.2 Amendment costs

If the Chargor requests an amendment, waiver or consent of this Deed the Chargor shall, within 5 Business Days of demand, reimburse the Chargee for the amount of all reasonable costs and expenses (including legal fees) together with any associated VAT reasonably and properly incurred by the Chargee in responding to, evaluating, negotiating or complying with the request or requirement.

26.3 Enforcement and preservation costs

The Chargor shall, within 5 Business Days of demand, pay to the Chargee the amount of all costs, fees and expenses (including legal fees) together with any associated VAT incurred by the Chargee in connection with the enforcement of or the preservation of any rights under this Deed and proceedings instituted by or against the Chargee as a consequence of taking or holding this Deed or enforcing these rights.

26.4 Interest on late payments

If the Chargor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both

before and after judgement) at the rate and in the manner specified in the Sale Agreement. Any interest accruing under this clause 26.4 shall be immediately payable by the Chargor on demand by the Chargee.

27 Release

Upon the expiry of the Security Period or if a disposal of the Secured Property is permitted by the terms of this Deed, the Chargee shall, at the request and cost of the Chargor, take whatever action is necessary to release the Secured Assets from this Security.

28 Counterparts

This Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of by e-mail attachment or telecopy shall be an effective mode of delivery.

29 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

30 Enforcement

30.1 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (**Dispute**).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This clause 30 is for the benefit of the Chargee. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

30.2 Service of process

- (a) The Civil Procedure Rules regarding service and deemed service will not apply to any letter or other communication notifying a claim or serving legal proceedings under or in connection with this Deed, which shall instead be served in accordance with this clause 30.2.
- (b) Any letter or other communication notifying a claim or serving legal proceedings under or in connection with this Deed may not be made by way of fax and must be made pursuant to clauses 20 (Notices) of this Deed.

31 Limit on Liability

The Chargee enters into this Deed in its capacity as trustees of the Patterson Group Limited Directors Pension Scheme and the Chargee's liability under this Deed is limited to the assets for the time being of the Patterson Group Limited Directors Pension Scheme, and the Chargee shall have no liability after it ceases to be trustees of the Patterson Group Limited Directors Pension Scheme.

This Deed has been executed as a deed and delivered on the date given at the beginning of this Deed.

Schedule 1

Property

Registered Land

The freehold property registered at HM Land Registry under title YWE67226 known as Land at Sweet Street Foundry, Derwent View, Holbeck, Leeds LS11 9TH.

SIGNATURES TO THE DEED

Executed as a deed by)
ASE II Developments Limited acting by a)
director in the presence of) Director

Signature of witness

Name Nick Lee

Director

Address

Executed as a deed by)
Ian Nigel Patterson)
in the presence of)

.....
Signature of witness

Name

Address

.....

Executed as a deed by)
M.W. Trustees Limited)
acting by a director in the presence of) Director

.....
Signature of witness

Name

Address

.....