



Registration of a Charge

Company name: **30 JAMES STREET LIMITED**

Company number: **09670656**



X55X5HBD

Received for Electronic Filing: **29/04/2016**

Details of Charge

Date of creation: **26/04/2016**

Charge code: **0967 0656 0003**

Persons entitled: **SAVING STREAM SECURITY HOLDING LIMITED AS THE SECURITY AGENT**

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 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by:

CLARKE WILLMOTT LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9670656

Charge code: 0967 0656 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th April 2016 and created by 30 JAMES STREET LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th April 2016 .

Given at Companies House, Cardiff on 3rd May 2016

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**

Debenture

Dated 26 April 2016

- (1) 30 James Street Limited
- (2) Saving Stream Security Holding Limited as the Security Agent

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This Deed is made on

26 April

2016

Between:

- (1) **30 James Street Limited** incorporated and registered in England and Wales with company number 09670656 whose registered office is at Millennium House, 60 Victoria Street, 60 Victoria Street, Liverpool, Merseyside, England, L1 6JD (the "**Chargor**"); and
- (2) **Saving Stream Security Holding Limited** incorporated and registered in England and Wales with company number 9736866 whose registered office is at Branksmere House, Queens Crescent, Southsea, Hampshire, PO5 3HT as security agent for the Beneficiaries (as defined below) in such capacity (the "**Security Agent**").

Background

- (A) The Security Agent has agreed, pursuant to the Loan Agreement, to provide the Borrower with loan facilities on a secured basis.
- (B) Under this deed, the Chargor provides security to the Security Agent for the loan facilities made available to the Borrower under the Loan Agreement.

It is agreed as follows:

1 Definitions and interpretation

1.1 Definitions

Terms defined in the Loan Agreement shall, unless otherwise defined in this deed, have the same meaning in this deed. In addition, the following definitions apply in this deed:

"Administrator"	an administrator appointed to manage the affairs, business and property of the Chargor pursuant to clause 15.6;
"Beneficiaries"	the Lenders, the Security Agent, Saving Stream, a Receiver or any Delegate.
"Book Debts"	all present and future book and other debts, and monetary claims due or owing to the Chargor, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Chargor in relation to any of them;
"Borrower"	Signature Living Hotel Limited (Company number 08124207);
"Business Day"	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

"Delegate"	any person appointed by the Security Agent or any Receiver pursuant to clause 20 and any person appointed as attorney of the Security Agent, Receiver or Delegate;
"Designated Account"	any account of the Chargor nominated by the Security Agent as a designated account for the purposes of this deed;
"Environment"	the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media;
"Environmental Law"	all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment;
"Equipment"	all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Chargor, including any part of it and all spare parts, replacements, modifications and additions;
"Event of Default"	has the meaning given to that expression in the Loan Agreement;
"Finance Documents"	means the Loan Agreement the Security Documents and all agreements entered into between Saving Stream (directly or as agent) and the Chargor;
"Financial Collateral"	shall have the meaning given to that expression in the Financial Collateral Regulations;
"Financial Collateral Regulations"	the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226);
"Insurance Policy"	each contract and policy of insurance effected or maintained by the Chargor from time to time in respect of its assets or business (including, without limitation, any contract or policy of insurance relating to the Properties or the Equipment);

"Intellectual Property"

the Chargor's present and future patents, trade marks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights;

"Investments"

all present and future certificated stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Chargor, including any:

- (a) dividend, interest or other distribution paid or payable in relation to any of the Investments; and
- (b) right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise;

"Lenders"

the persons, who have agreed with Saving Stream to provide all or part of the Loan to the Chargor and whose names and addresses are set out in the records maintained by Saving Stream in respect of the Loan pursuant to the terms of the Loan Agreement;

"Loan"

means the principal amount outstanding under the terms of the Loan Agreement;

"Loan Agreement"

the loan agreement entered into on or around the date of this debenture by the Chargor and Saving Stream as agent for the Lenders;

"LPA 1925"

Law of Property Act 1925;

"Properties"

all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Chargor, or in which the Chargor holds an interest (including, but not limited to, the

	properties specified in Schedule 1), and "Property" means any of them;
"Receiver"	a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Security Agent under clause 18;
"Rights"	any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise;
"Saving Stream"	means Saving Stream being a trading name of Lendy Ltd, a company incorporated in England and Wales whose registered office is at Branksmere House, Queens Crescent, Southsea, Hampshire, PO5 3HT with company number 8244913;
"Secured Assets"	all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, this deed;
"Secured Liabilities"	all present and future monies, obligations and liabilities of the Borrower to the Beneficiaries, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities;
"Security Financial Collateral Arrangement"	shall have the meaning given to that expression in the Financial Collateral Regulations;
"Security"	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;
"Security Period"	the period starting on the date of this deed and ending on the date on which the Security Agent is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding;

1.2 Interpretation

In this deed:

- 1.2.1 clause and Schedule headings shall not affect the interpretation of this deed;
- 1.2.2 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person's personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to **writing** or **written** includes fax but not e-mail;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 1.2.11 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and a reference to a paragraph is to a paragraph of the relevant Schedule;
- 1.2.12 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- 1.2.14 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;

1.2.16 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;

1.2.17 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and

1.2.18 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Clawback

If the Security Agent considers that an amount paid by the Borrower or the Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or the Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed. Nature of security over real property

1.4 A reference in this deed to a charge or mortgage of or over any Property includes:

1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) that are situated on or form part of that Property at any time;

1.4.2 the proceeds of the sale of any part of that Property and any other monies paid or payable in respect of or in connection with that Property;

1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Chargor in respect of that Property, and any monies paid or payable in respect of those covenants; and

1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Loan Agreement and of any side letters between any parties in relation to the Loan Agreement are incorporated into this deed.

1.6 Perpetuity period

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.7 Schedules

The Schedules form part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedules.

2 Covenant to pay

- 2.1 The Chargor shall, on demand, pay to the Security Agent and discharge the Secured Liabilities when they become due.
- 2.2 Notwithstanding any other provision of the Finance Documents, it is expressly agreed and understood that:
- 2.2.1 the sole recourse of the Security Agent to the Chargor under this deed is to the Chargor's interest in the Secured Assets; and
- 2.2.2 the liability of the Chargor to the Security Agent pursuant to or otherwise in connection with the Finance Documents shall be:
- (a) limited in aggregate to an amount equal to that recovered as a result of enforcement of this deed with respect to the Secured Assets; and
 - (b) satisfied only from the proceeds of sale or other disposal or realisation of the Secured Assets pursuant to this deed.

3 Grant of security

3.1 Fixed charges

- 3.1.1 As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Security Agent by way of first fixed charge:
- (a) all Properties acquired by the Chargor in the future;
 - (b) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property;
 - (c) all present and future interests of the Chargor not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold or leasehold property;
 - (d) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Chargor's business or the use of any property, and all rights in connection with them;
 - (e) all its present and future goodwill and uncalled capital;
 - (f) all the Equipment;
 - (g) all the Intellectual Property;
 - (h) all the Book Debts;
 - (i) all the Investments;

- (j) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account); and
- (k) all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy, to the extent that effectively assigned under clause 3.2.

3.1.2 Assigns to the Security Agent absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities, all its rights in each Insurance Policy.

3.2 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee assigns to the Security Agent absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy.

3.3 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Security Agent, by way of first floating charge, all the undertaking, property, assets and rights of the Chargor at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1 to clause 3.3 inclusive.

3.4 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.3.

3.5 Automatic crystallisation of floating charge

The floating charge created by clause 3.3 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

3.5.1 the Chargor:

- (a) creates, or attempts to create, without the prior written consent of the Security Agent, a Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this deed or the Loan Agreement); or
- (b) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised).

3.5.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or

3.5.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor.

3.6 Crystallisation of floating charge by notice

The Security Agent may, in its sole discretion, at any time and by written notice to the Chargor, convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by the Security Agent in that notice.

3.7 Assets acquired after any floating charge has crystallised

Any asset acquired by the Chargor after any crystallisation of the floating charge created under this deed that, but for that crystallisation, would be subject to a floating charge under this deed, shall (unless the Security Agent confirms otherwise to the Chargor in writing) be charged to the Security Agent by way of first fixed charge.

4 Liability of the Chargor

4.1 Liability not discharged

The Chargor's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- (a) any intermediate payment, settlement of account or discharge in whole or in part of the Secured Liabilities;
- (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Security Agent may now or after the date of this deed have from or against the Borrower, the Chargor or any other person in connection with the Secured Liabilities;
- (c) any act or omission by the Security Agent or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Borrower, the Chargor or any other person;
- (d) any termination, amendment, variation, novation or supplement of or to any of the Secured Liabilities;
- (e) any grant of time, indulgence, waiver or concession to the Borrower, the Chargor or any other person;
- (f) any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Borrower, the Chargor or any other person;
- (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower, the Chargor or any other person in connection with the Secured Liabilities;
- (h) any claim or enforcement of payment from the Borrower, the Chargor or any other person; or

- (i) any other act or omission which would not have discharged or affected the liability of the Chargor had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this deed.

4.2 Immediate recourse

The Chargor waives any right it may have to require the Security Agent:

- (a) to take any action or obtain judgment in any court against the Borrower or any other person;
- (b) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Borrower or any other person; or
- (c) to make demand, enforce or seek to enforce any claim, right or remedy against the Borrower or any other person,

before taking steps to enforce any of its rights or remedies under this deed.

4.3 Non-competition

The Chargor warrants to the Security Agent that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Borrower, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Chargor under this deed but:

- (a) if any of the Rights is taken, exercised or received by the Chargor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Chargor on trust for the Security Agent for application in or towards the discharge of the Secured Liabilities under this deed; and
- (b) on demand by the Security Agent, the Chargor shall promptly transfer, assign or pay to the Security Agent all Rights and all monies from time to time held on trust by the Chargor under this clause 4.3.

5 Representations and warranties

5.1 Representations and warranties

The Chargor makes the representations and warranties set out in this clause 4.2(a) to the Security Agent.

5.2 Due incorporation

5.2.1 The Chargor:

- (a) is a duly incorporated limited liability company validly existing under the law of England and Wales; and

- (b) has the power to own its assets and carry on its business as it is being conducted.

5.3 Powers

The Chargor has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of this deed and the transactions contemplated by it. No limit on its powers will be exceeded as a result of its entry into this deed.

5.4 Non-contravention

The entry into and performance by it of, and the transactions contemplated by, this deed do not and will not contravene or conflict with:

- 5.4.1 the Chargor's constitutional documents;
- 5.4.2 any agreement or instrument binding on the Chargor or its assets; or
- 5.4.3 any law or regulation or judicial or official order applicable to it.

5.5 Authorisations

The Chargor has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations under this deed. Any such authorisations are in full force and effect.

5.6 Binding obligations

- 5.6.1 The Chargor's obligations under this deed are legal, valid, binding and enforceable, and

- 5.6.2 this deed creates:

- (a) valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and
- (b) subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of real property, registration at the Land Registry, perfected Security over the assets referred to in this deed,

in favour of the Lender, having the priority and ranking expressed to be created by this deed and ranking ahead of all (if any) Security and rights of third parties, except those preferred by law.

5.7 Litigation

No litigation, arbitration or administrative proceedings are taking place, pending or, to the Chargor's knowledge, threatened against it or any of the Secured Assets.

5.8 Registration

Subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of real property, registration at the Land Registry and payment of registration fees to Companies House and the Land Registry, it is not necessary to file, record or enroll this deed with any court or other authority or pay any stamp, registration or similar tax in relation to this deed.

5.9 Ownership of Secured Assets

The Chargor is the legal and beneficial owner of the Secured Assets.

5.10 No Security

The Secured Assets are free from any Security other than the Security created by this deed.

5.11 No adverse claims

The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

5.12 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

5.13 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

5.14 No interference in enjoyment

No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.

5.15 No overriding interests

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Property.

5.16 Avoidance of security

No Security expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Chargor or otherwise.

5.17 No prohibitions or breaches

There is no prohibition on assignment in any Insurance Policy and the entry into this deed by the Chargor does not, and will not, constitute a breach of any Insurance Policy or any other agreement or instrument binding on the Chargor or its assets.

5.18 Enforceable security

This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Chargor, and is and will continue to be effective security over all and every part of the Secured Assets in accordance with its terms.

5.19 Times for making representations and warranties

The representations and warranties set out in clause 5.2 to clause 5.18 are made by the Chargor on the date of this deed and are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6 General covenants

6.1 Negative pledge and disposal restrictions

The Chargor shall not at any time, except with the prior written consent of the Security Agent:

- 6.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this deed;
- 6.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or
- 6.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

6.2 Preservation of Secured Assets

The Chargor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Agent, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed.

6.3 Compliance with laws and regulations

- 6.3.1 the Chargor shall not, without the Security Agent's prior written consent, use or permit the Secured Assets to be used in any way contrary to law;
- 6.3.2 the Chargor shall:
 - (a) comply with the requirements of any law and regulation relating to or affecting the Secured Assets or the use of it or any part of them;
 - (b) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset, and

- (c) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

6.4 Change of business

The Chargor shall not make any substantial change to the nature or scope of its business as carried out on the date of this deed.

6.5 Enforcement of rights

The Chargor shall use its best endeavours to:

6.5.1 procure the prompt observance and performance of the covenants and other obligations imposed on the Chargor's counterparties (including each insurer in respect of an Insurance Policy); and

6.5.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets which the Security Agent may require from time to time.

6.6 Notice of misrepresentation and breaches

The Chargor shall, promptly on becoming aware of any of the same, give the Security Agent notice in writing of:

6.6.1 any representation or warranty set out in this deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and

6.6.2 any breach of any covenant set out in this deed.

6.7 Title documents

The Chargor shall, as so required by the Security Agent, deposit with the Security Agent and the Security Agent shall, for the duration of this deed be entitled to hold:

6.7.1 all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Chargor (and if these are not within the possession or control of the Chargor, the Chargor undertakes to obtain possession of all these deeds and documents of title);

6.7.2 all Insurance Policies; and

6.7.3 all deeds and documents of title (if any) relating to the Book Debts as the Security Agent may specify from time to time.

6.8 Insurance

6.8.1 The Chargor shall insure and keep the Secured Assets against:

- (a) loss or damage by fire or terrorist acts;

- (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor; and
- (c) any other risk, perils and contingencies as the Security Agent may reasonably require.

Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Security Agent, and must be for not less than the replacement value of the relevant Secured Assets.

6.8.2 The Chargor shall, if requested by the Security Agent, produce to the Security Agent each policy, certificate or cover note relating to the insurance required by clause 6.8.1.

6.8.3 The Chargor shall, if requested by the Security Agent, procure that the Security Agent is named as co-insured with the Chargor on each insurance policy maintained by it or any person on its behalf in accordance with clause 6.8.1 and that the terms of each such insurance policy require the insurer not to invalidate the policy as against the Security Agent by reason of the act or default of any other joint or named insured and not to cancel it without giving at least thirty days' prior written notice to the Security Agent.

6.9 Insurance premiums

The Chargor shall:

6.9.1 promptly pay all premiums in respect of each insurance policy maintained by it in accordance with clause 6.8.1 and do all other things necessary to keep that policy in full force and effect; and

6.9.2 (if the Security Agent so requires) produce to, or deposit with, the Security Agent the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy maintained by it in accordance with clause 6.8.1.

6.10 No invalidation of insurance

The Chargor shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy maintained by it in accordance with clause 6.8.1.

6.11 Proceeds of insurance policies

All monies received or receivable by the Chargor under any insurance policy maintained by it in accordance with clause 6.8.1 (including all monies received or receivable by it under any Insurance Policy) at any time (whether or not the security constituted by this deed has become enforceable) shall:

6.11.1 immediately be paid;

6.11.2 if they are not paid directly to the Security Agent by the insurers, be held by the Chargor as trustee of the same for the benefit of the Security Agent (and the Chargor shall account for them to the Security Agent); and

6.11.3 be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or, after the security constituted by this deed has become enforceable and if the Security Agent so directs, in or towards discharge or reduction of the Secured Liabilities.

6.12 Notices to be given by the Chargor

6.12.1 The Chargor shall immediately on the execution of this deed (or, if later, the date of acquisition of the relevant Secured Asset) give notice to each insurer that it has charged or assigned its rights and interest in and under each Insurance Policy under clause 3.

6.12.2 The Chargor shall obtain the Security Agent's prior approval of the form of any notice or acknowledgement to be used under this clause 6.12.

6.13 Information

The Chargor shall:

6.13.1 give the Security Agent such information concerning the location, condition, use and operation of the Secured Assets as the Security Agent may require;

6.13.2 permit any persons designated by the Security Agent and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and

6.13.3 promptly notify the Security Agent in writing of any action, claim or demand made by or against it in connection with any Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim or demand, together with, in each case, the Chargor's proposals for settling, liquidating, compounding or contesting any such action, claim or demand and shall, subject to the Security Agent's prior approval, implement those proposals at its own expense.

6.14 Payment of outgoings

The Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Security Agent.

6.15 Authorisations

The Chargor shall promptly obtain all consents and authorisations necessary (and do all that is needed to maintain them in full force and effect) under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under the Finance

Documents and to ensure the legality, validity, enforceability and admissibility in evidence of the Finance Documents in its jurisdiction of Incorporation.

6.16 Compliance with law

The Chargor shall comply in all respects with all relevant laws to which it may be subject if failure to do so would materially impair its ability to perform its obligations under the Finance Documents.

6.17 Change of business

The Chargor shall not make any substantial change to the nature or scope of its business as carried out on the date of this deed.

7 Property covenants

7.1 Maintenance

The Chargor shall keep all buildings and all fixtures on each Property in good and substantial repair and condition.

7.2 Preservation of Property, fixtures and Equipment

The Chargor shall not, without the prior written consent of the Security Agent:

7.2.1 pull down or remove the whole, or any part of, any building forming part of any Property or permit the same to occur;

7.2.2 make or permit any material alterations to any Property, or sever or remove, or permit to be severed or removed, any of its fixtures; or

7.2.3 remove or make any material alterations to any of the Equipment belonging to, or in use by, the Chargor on any Property (except to effect necessary repairs or replace them with new or improved models or substitutes).

7.3 Conduct of business on Properties

The Chargor shall carry on its trade and business on those parts (if any) of the Properties as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in that trade or business.

7.4 Planning information

The Chargor shall:

7.4.1 give full particulars to the Security Agent of any notice, order, direction, designation, resolution or proposal given or made by any planning authority or other public body or authority ("**Planning Notice**") that specifically applies to any Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Planning Notice; and

- 7.4.2 at its own expense, immediately on request by the Security Agent, and at the cost of the Chargor, take all reasonable and necessary steps to comply with any Planning Notice, and make, or join with the Security Agent in making, any objections or representations in respect of that Planning Notice that the Security Agent may desire.

7.5 Compliance with covenants and payment of rent

The Chargor shall:

- 7.5.1 observe and perform all covenants, stipulations and conditions to which each Property, or the use of it, is or may be subjected, and (if the Security Agent so requires) produce evidence sufficient to satisfy the Security Agent that those covenants, stipulations and conditions have been observed and performed;
- 7.5.2 diligently enforce all covenants, stipulations and conditions benefiting each Property and shall not (and shall not agree to) waive, release or vary any of the same; and
- 7.5.3 (without prejudice to the generality of the foregoing) where a Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time, and perform and observe all the tenant's covenants and conditions.

7.6 Payment of rent and outgoings

The Chargor shall:

- 7.6.1 where a Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- 7.6.2 pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on each Property or on its occupier.

7.7 Maintenance of interests in Properties

The Chargor shall not, without the prior written consent of the Security Agent:

- 7.7.1 grant, or agree to grant, any licence or tenancy affecting the whole or any part of any Property, or exercise, or agree to exercise, the statutory powers of leasing or of accepting surrenders under sections 99 or 100 of the Law of Property Act 1925; or
- 7.7.2 in any other way dispose of, surrender or create, or agree to dispose of surrender or create, any legal or equitable estate or interest in the whole or any part of any Property.

7.8 Registration restrictions

If the title to any Property is not registered at the Land Registry, the Chargor shall procure that no person (other than itself) shall be registered under the Land Registration Acts 1925 to 2002 as proprietor of all or any part of any Property without the prior written consent of the Security Agent. The Chargor shall be liable for the costs and expenses of the Security Agent

In lodging cautions against the registration of the title to the whole or any part of any Property from time to time.

7.9 Development restrictions

The Chargor shall not, without the prior written consent of the Security Agent:

7.9.1 make or, insofar as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or

7.9.2 carry out, or permit, or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 and the Planning Act 2008, or change or permit or suffer to be changed the use of any Property.

7.10 Environment

The Chargor shall:

7.10.1 comply with all the requirements of Environmental Law both in the conduct of its general business and in the management, possession or occupation of each Property; and

7.10.2 obtain and comply with all authorisations, permits and other types of licences necessary under Environmental Law.

7.11 No restrictive obligations

The Chargor shall not, without the prior written consent of the Security Agent, enter into any onerous or restrictive obligations affecting the whole or any part of any Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Property.

7.12 Proprietary rights

The Chargor shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Property without the prior written consent of the Security Agent.

7.13 Inspection

The Chargor shall permit the Security Agent, any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice.

7.14 Property information

The Chargor shall inform the Security Agent promptly of any acquisition by the Chargor of, or contract made by the Chargor to acquire, any freehold, leasehold or other interest in any property.

7.15 VAT option to tax

The Chargor shall not, without the prior written consent of the Security Agent:

7.15.1 exercise any VAT option to tax in relation to any Property; or

7.15.2 revoke any VAT option to tax exercised, and disclosed to the Security Agent, before the date of this deed.

7.16 Registration at the Land Registry

The Chargor consents to an application being made by the Security Agent to the Land Registrar for the following restriction in Form P to be registered against its title to each Property:

"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 2015 in favour of Saving Stream Security Holding Limited, as Security Agent, referred to in the charges register or their conveyancer."

8 Investments covenants

8.1 Deposit of title documents

8.1.1 The Chargor shall:

- (a) on the execution of this deed, deposit with the Security Agent, or as the Security Agent may direct, all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by the Chargor at that time; and
- (b) on the purchase or acquisition by it of Investments after the date of this deed, deposit with the Security Agent, or as the Security Agent may direct, all stock or share certificates and other documents of title or evidence of ownership relating to those Investments.

8.1.2 At the same time as depositing documents with the Security Agent, or as the Security Agent may direct, in accordance with 8.1.1(a) or 8.1.1(b), the Chargor shall also deposit with the Security Agent, or as the Security Agent may direct:

- (a) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of the Chargor, but with the name of the transferee, the consideration and the date left blank; and
- (b) any other documents (in each case duly completed and executed by or on behalf of the Chargor) that the Security Agent may request to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that the Security Agent may, at any time and without notice to the Chargor, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

8.2 Nominations

8.2.1 The Chargor shall terminate with immediate effect all nominations it may have made (including, without limitation, any nomination made under section 145 or section 146 of the Companies Act 2006) in respect of any Investments and, pending that termination, procure that any person so nominated:

- (a) does not exercise any rights in respect of any Investments without the prior written approval of the Security Agent; and
- (b) immediately on receipt by it, forward to the Security Agent all communications or other information received by it in respect of any Investments for which it has been so nominated.

8.2.2 The Chargor shall not, during the Security Period, exercise any rights (including, without limitation, any rights under sections 145 and 146 of the Companies Act 2006) to nominate any person in respect of any of the Investments.

8.3 Additional registration obligations

The Chargor shall:

8.3.1 obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association (or otherwise) of an Issuer, for the transfer of the Investments to the Security Agent or its nominee, or to a purchaser on enforcement of the security constituted by this deed; and

8.3.2 procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each Issuer in any manner that Security Agent may require in order to permit the transfer of the Investments to the Security Agent or its nominee, or to a purchaser on enforcement of the security constituted by this deed.

8.4 Dividends and voting rights before enforcement

8.4.1 Before the security constituted by this deed becomes enforceable:

- (a) the Chargor may retain and apply for its own use all dividends, interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to the Security Agent or any of its nominees, the Security Agent will hold all those dividends, interest and other monies received by it for the Chargor and will pay them to the Chargor promptly on request.
- (b) the Chargor may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Security Agent or any of its nominees, to direct in writing the exercise of those voting and other rights and powers provided that:

- (i) it shall not do so in any way that would breach any provision of this deed or for any purpose inconsistent with this deed; and
- (ii) the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Security Agent's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Security Agent's security under this deed.

8.4.2 The Chargor shall indemnify the Security Agent against any loss or liability incurred by the Security Agent (or its nominee) as a consequence of the Security Agent (or its nominee) acting in respect of the Investments at the direction of the Chargor.

8.4.3 The Security Agent shall not, be exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to or conferred by any of the Investments that the Security Agent considers prejudicial to, or impairing the value of, the security created by this deed.

8.5 Dividends and voting rights after enforcement

8.5.1 After the security constituted by this deed has become enforceable:

- (a) all dividends and other distributions paid in respect of the Investments and received by the Chargor shall be held by the Chargor on trust for the Security Agent and immediately paid into a Designated Account or, if received by the Security Agent, shall be retained by the Security Agent; and
- (b) all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Security Agent and the Chargor shall, and shall procure that its nominees shall, comply with any directions the Security Agent may give, in its absolute discretion, concerning the exercise of those rights and powers.

8.6 Calls on Investments

The Chargor shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. The Chargor acknowledges that the Security Agent shall not be under any liability in respect of any such calls, instalments or other payments.

8.7 No alteration of constitutional documents or rights attaching to Investments

The Chargor shall not, without the prior written consent of the Security Agent, amend, or agree to the amendment of:

- 8.7.1 the memorandum or articles of association, or any other constitutional documents, of any issuer that is not a public company; or
- 8.7.2 the rights or liabilities attaching to any of the Investments.

8.8 Preservation of Investments

The Chargor shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer that is not a public company shall not:

- 8.8.1 consolidate or subdivide any of its Investments, or reduce or re-organise its share capital in any way;
- 8.8.2 issue any new shares or stock; or
- 8.8.3 refuse to register any transfer of any of its Investments that may be lodged for registration by, or on behalf of, the Security Agent or the Chargor in accordance with this deed.

8.9 Investments information

The Chargor shall, promptly following receipt, send to the Security Agent copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments.

9 Equipment covenants

9.1 The Chargor shall:

- 9.1.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;
- 9.1.2 at its own expense, renew and replace any parts of the Equipment when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value; and
- 9.1.3 not permit any Equipment to be:
 - (a) used or handled other than by properly qualified and trained persons; or
 - (b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

10 Payment of Equipment taxes

The Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect to the Equipment and, on demand, produce evidence of such payment to the Security Agent.

11 Notice of Charge

The Chargor:

- 11.1 shall, if so requested by the Security Agent, affix to and maintain on each item of Equipment in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [DESCRIBE ITEM] and all additions to it [and ancillary equipment] are subject to a fixed charge dated [DATE] in favour of [NAME].";

- 11.2 shall note, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 11.1.

12 Book debts covenants

12.1 Realising Book Debts

The Chargor shall:

12.1.1 as an agent for the Security Agent, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Security Agent;

12.1.2 not, without the prior written consent of the Security Agent, withdraw any amounts standing to the credit of any Designated Account; and

12.1.3 if called on to do so by the Security Agent, execute a legal assignment of the Book Debts to the Security Agent on such terms as the Security Agent may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

12.2 Preservation of Book Debts

The Chargor shall not (except as provided by clause 12.1 or with the prior written consent of the Security Agent) release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

13 Intellectual property covenants

13.1 Preservation of rights

The Chargor shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation) by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

13.2 Registration of Intellectual Property

The Chargor shall use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Security Agent informed of all matters relating to each such registration.

13.3 Maintenance of Intellectual Property

The Chargor shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

14 Provisions Relating to the Security Agent

14.1 Security Trust

14.1.1 The Security Agent shall hold and administer all the rights benefits and interests constituted in its favour by or pursuant to this Debenture together with all proceeds of enforcement, exercise of realisation of the same (the Security Property) upon trust to pay and apply the same for the benefit of the Beneficiaries in accordance with their respective entitlements under the Finance Documents subject to and in accordance with the terms thereof.

14.1.2 The Security Agent and the Receiver shall not be liable in respect of any loss or damage which arises out of the exercise or attempted or purported exercise of or the failure to exercise any of their respective powers under this deed.

15 Powers of the Security Agent

15.1 Power to remedy

15.1.1 The Security Agent shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Chargor of any of its obligations contained in this deed.

15.1.2 The Chargor irrevocably authorises the Security Agent and its agents to do all things that are necessary or desirable for that purpose.

15.1.3 Any monies expended by the Security Agent in remedying a breach by the Chargor of its obligations contained in this deed shall be reimbursed by the Chargor to the Security Agent on a full indemnity basis and shall carry interest in accordance with clause 22.1.

15.2 Exercise of rights

15.2.1 The rights of the Security Agent under clause 16.1 are without prejudice to any other rights of the Security Agent under this deed.

15.2.2 The exercise of any rights of the Security Agent under this deed shall not make the Security Agent liable to account as a mortgagee in possession.

15.3 Power to dispose of chattels

15.3.1 At any time after the security constituted by this deed has become enforceable, the Security Agent or any Receiver may, as agent for the Chargor, dispose of any chattels or produce found on any Property.

15.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under clause 15.3.1, the Chargor shall indemnify the Security Agent and any Receiver against any liability arising from any disposal made under clause 15.3.1.

15.4 The Security Agent has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Security Agent in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

15.5 Indulgence

The Security Agent may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with the Chargor) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this deed or to the liability of the Chargor for the Secured Liabilities.

15.6 Appointment of an Administrator

15.6.1 The Security Agent may, without notice to the Chargor, appoint any one or more persons to be an Administrator of the Chargor pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.

15.6.2 Any appointment under this clause 15.6 shall:

- (a) be in writing signed by a duly authorised signatory of the Security Agent; and
- (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.

15.6.3 The Security Agent may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 15.6 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

15.7 Further advances

The Security Agent covenants with the Chargor that it shall perform its obligations to make advances to the Borrower under the Loan Agreement (including any obligation to make available further advances).

16 When security becomes enforceable

16.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall become immediately enforceable if an Event of Default occurs.

16.2 Discretion

After the security constituted by this deed has become enforceable, the Security Agent may, in its absolute discretion, enforce all or any part of that security at the times, in the manner

and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

17 Enforcement of security

17.1 Enforcement powers

17.1.1 for the purposes or all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.

17.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall, be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 16.1.

17.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

17.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Security Agent and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Chargor, to:

17.2.1 grant a lease or agreement to lease;

17.2.2 accept surrenders of leases; or

17.2.3 grant any option of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Chargor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Security Agent or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

17.3 Access on enforcement

17.3.1 At any time after the Security Agent has demanded payment of the Secured Liabilities or if the Chargor defaults in the performance of its obligations under this deed or the Loan Agreement, the Chargor will allow the Security Agent or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Security Agent or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Chargor for, or by any reason of, that entry.

17.3.2 At all times, the Chargor must use its best endeavours to allow the Security Agent or its Receiver access to any premises for the purpose of clause 17.3.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

17.4 Prior Security

At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Security Agent may:

17.4.1 redeem that or any other prior Security;

17.4.2 procure the transfer of that Security to it; and

17.4.3 settle and pass any account of the holder of any prior Security.

Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Chargor. All monies paid by the Security Agent to an encumbrance in settlement of any of those accounts shall, as from its payment by Security Agent, be due from the Chargor to the Security Agent on current account and shall bear interest at the default rate of interest specified in the Loan Agreement and be secured as part of the Secured Liabilities.

17.5 Protection of third parties

No purchaser, mortgagee or other person dealing with the Security Agent, any Receiver or Delegate shall be concerned to enquire:

17.5.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

17.5.2 whether any power the Security Agent, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or

17.5.3 how any money paid to the Security Agent, any Receiver or any Delegate is to be applied.

17.6 Privileges

Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

17.7 No liability as mortgagee in possession

Neither the Security Agent, the Beneficiaries, any Receiver, any Delegate nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.

17.8 Conclusive discharge to purchasers

The receipt of the Security Agent, the Beneficiaries or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the

Security Agent, the Beneficiaries and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

17.9 Right of appropriation

17.9.1 To the extent that:

- (a) the Secured Assets constitute Financial Collateral; and
- (b) this deed and the obligations of the Chargor under it constitute a Security Financial Collateral Arrangement,

the Security Agent shall have the right, at any time after the security constituted by this deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Security Agent may, in its absolute discretion, determine.

17.9.2 The value of any Secured Assets appropriated in accordance with this clause shall be the price of those Secured Assets at the time the right of appropriation is exercised as listed on any recognised market index or determined by any other method that the Security Agent may select (including independent valuation).

17.9.3 The Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

18 Receiver

18.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Chargor, the Security Agent may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

18.2 Removal

The Security Agent may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

18.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

18.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Security Agent under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

18.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Security Agent despite any prior appointment in respect of all or any part of the Secured Assets.

18.6 Agent of the Chargor

Any Receiver appointed by the Security Agent under this deed shall be the agent of the Chargor and the Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Agent or Beneficiaries.

19 Powers of receiver

19.1 General

19.1.1 Any Receiver appointed by the Security Agent under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 19.2 to clause 19.22.

19.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.

19.1.3 Any exercise by a Receiver of any of the powers given by clause 19 may be on behalf of the Chargor, the directors of the Chargor (in the case of the power contained in clause 19.16) or himself.

19.2 Repair and develop Properties

A Receiver may undertake or complete any works of repair, building or development on the Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

19.3 Surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Property and may grant any other interest or right over any Property on any terms, and subject to any conditions, that he thinks fit.

19.4 Employ personnel and advisors

A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Chargor.

19.5 Make VAT elections

A Receiver may make, exercise or revoke any value added tax option to tax as he thinks fit.

19.6 Remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that the Security Agent may prescribe or agree with him.

19.7 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which he is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

19.8 Manage or reconstruct the Chargor's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Chargor.

19.9 Dispose of Secured Assets

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which he is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as he thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

19.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of the Chargor.

19.11 Sell Book Debts

A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in any manner, and generally on any terms and conditions, that he thinks fit.

19.12 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

19.13 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Chargor and any other person that he may think expedient.

19.14 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as he thinks fit.

19.15 Improve the Equipment

A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.

19.16 Make calls on the Chargor's members

A Receiver may make calls conditionally or unconditionally on the members of the Chargor in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the Chargor on its directors in respect of calls authorised to be made by them.

19.17 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 22, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Chargor under this deed.

19.18 Powers under the LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

19.19 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

19.20 Delegation

A Receiver may delegate his powers in accordance with this deed.

19.21 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights he would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets.

19.22 Incidental powers

A Receiver may do any other acts and things:

19.22.1 that he may consider desirable or necessary for realising any of the Secured Assets;

19.22.2 that he may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or

19.22.3 that he lawfully may or can do as agent for the Chargor.

20 Delegation

20.1 Delegation

The Security Agent or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 24.1).

20.2 Terms

The Security Agent and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

20.3 Liability

Neither the Security Agent, the Beneficiaries nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

21 Application of proceeds

21.1 Order of application of proceeds

All monies received by the Security Agent, a Receiver or a Delegate pursuant to this deed, after the security constituted by this deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

21.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Beneficiaries, the Security Agent, (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;

21.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Security Agent determines; and

21.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

21.2 Appropriation

Neither the Security Agent, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

21.3 Suspense account

All monies received by the Security Agent, a Receiver or a Delegate under this deed:

21.3.1 may, at the discretion of the Security Agent, a Receiver or a Delegate, be credited to any suspense or securities realised account;

21.3.2 shall bear interest, if any, at the rate agreed in writing between the Security Agent and the Chargor; and

21.3.3 may be held in that account for so long as the Security Agent, a Receiver or a Delegate thinks fit.

22 Costs and indemnity

22.1 Costs

The Chargor shall, promptly demand, pay to, or reimburse, the Security Agent and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Security Agent, the Beneficiaries, any Receiver or any Delegate in connection with:

22.1.1 this deed or the Secured Assets;

22.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Security Agent's, a Receiver's or a Delegate's rights under this deed; or

22.1.3 taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Chargor) at the rate and in the manner specified in the Loan Agreement.

22.2 Indemnity

The Chargor shall indemnify the Security Agent, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- 22.2.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets;
- 22.2.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or
- 22.2.3 any default or delay by the Chargor in performing any of its obligations under this deed.

Any past or present employee or agent may enforce the terms of this clause 22.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

23 Further assurance

23.1 Further assurance

23.2 The Chargor shall, at its own expense, take whatever action the Security Agent or any Receiver may reasonably require for:

- 23.2.1 creating, perfecting or protecting the security intended to be created by this deed;
- 23.2.2 facilitating the realisation of any Secured Asset; or
- 23.2.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Security Agent or any Receiver in respect of any Secured Asset;

23.3 including, without limitation (if the Security Agent or any Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Security Agent or to its nominee) and the giving of any notice, order or direction and the making of any registration.

24 Power of attorney

24.1 Appointment of attorneys

By way of security, the Chargor irrevocably appoints the Security Agent, every Receiver and every Delegate separately to be the attorney of the Chargor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- 24.1.1 the Chargor is required to execute and do under this deed; or
- 24.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Security Agent, any Receiver or any Delegate.

24.2 Ratification of acts of attorneys

The Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 24.1.

25 Release

25.1 Subject to clause 32.3, on the expiry of the Security Period (but not otherwise), the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to:

25.1.1 release the Secured Assets from the security constituted by this deed; and

25.1.2 reassign the Secured Assets to the Chargor.

26 Assignment and transfer

26.1 Assignment by the Security Agent

26.1.1 At any time, without the consent of the Chargor, the Security Agent may assign or transfer any or all of its rights and obligations under this deed.

26.1.2 The Security Agent may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Chargor, the Secured Assets and this deed that the Security Agent considers appropriate.

26.2 Assignment by the Chargor

The Chargor may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

27 Set-off

27.1 The Security Agent may at any time set off any liability of the Chargor to the Security Agent or the Beneficiaries against any liability of the Security Agent to the Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Security Agent may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Security Agent of its rights under this clause 27 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

27.2 The Security Agent is not obliged to exercise its rights under clause 27.1. If, however, it does exercise those rights it must promptly notify the Chargor of the set-off that has been made.

28 Amendments, waivers and consents

28.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

28.2 Waivers and consents

28.2.1 A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the

circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

28.2.2 A failure to exercise, or a delay in exercising, any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Security Agent shall be effective unless it is in writing.

28.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

29 Severance

If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

30 Counterparts

This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

31 Third party rights

Except as expressly provided in clause 22.2, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act. For the avoidance of doubt the Beneficiaries shall have the benefit of this deed.

32 Further provisions

32.1 Independent security

The security constituted by this deed shall be in addition to, and independent of, any other security or guarantee that the Security Agent or Beneficiaries may hold for any of the Secured Liabilities at any time. No prior security held by the Security Agent or Beneficiaries over the whole or any part of the Secured Assets shall merge in the security created by this deed.

32.2 Continuing security

The security constituted by this deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Security Agent discharges this deed in writing.

32.3 Discharge conditional

Any release, discharge or settlement between the Chargor and the Security Agent shall be deemed conditional on no payment or security received by the Security Agent or Beneficiaries in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

32.3.1 the Security Agent or its nominee may retain this deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Security Agent deems necessary to provide the Security Agent with security against any such avoidance, reduction or order for refund; and

32.3.2 the Security Agent may recover the value or amount of such security or payment from the Chargor subsequently as if the release, discharge or settlement had not occurred.

32.4 Certificates

A certificate or determination by the Security Agent as to any amount for the time being due to it or the Beneficiaries from the Chargor shall be, in the absence of any manifest error, conclusive evidence of the amount due.

32.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.

33 Notices

33.1 Delivery

Any notice or other communication required to be given to a party under or in connection with this deed shall be:

33.1.1 in writing;

33.1.2 delivered by hand, by pre-paid registered first-class post or other registered next working day delivery service; and

33.1.3 sent to the parties at the address set out at the beginning of this deed or to any other address as is notified in writing by one party to the other from time to time.

33.2 Receipt by the Chargor

Any notice or other communication that the Security Agent gives to the Chargor shall be deemed to have been received:

33.2.1 If delivered by hand, at the time it is left at the relevant address;

33.2.2 If posted by pre-paid first-class registered post or other registered next working day delivery service, on the second Business Day after posting; and

33.2.3 If sent by fax, when received in legible form.

A notice or other communication given as described in clause 33.2.1 or clause 33.2.3 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

33.3 Receipt by the Security Agent

Any notice or other communication given to Security Agent shall be deemed to have been received only on actual receipt.

33.4 Service of proceedings

This clause 33 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

33.5 No notice by e-mail

A notice or other communication given under or in connection with this deed is not valid if sent by e-mail.

34 Governing law and jurisdiction

34.1 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 in accordance with the law of England and Wales.

34.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Security Agent to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

This document has been signed as a deed and delivered on the date first above written

Schedule 1

Property

Registered Property

Unregistered Property

Executed as a deed by
on behalf of
30 James Street Limited
in the presence of:

)
) W. Kennedy
)

Witness signature:

Neil Kelly

Witness name:

Neil Kelly

Witness address:

51, White Birch, Tithebarn Street

Witness occupation:

Liverpool
Solicitor

Executed as a deed by
on behalf of **Saving Stream**
Security Holding Limited
as security agent
in the presence of:

)
)
)

Witness signature:

Witness name:

Witness address:

Witness occupation:
