



**Registration of a Charge**

Company name: **BASS REAL ESTATE NO. 14 LIMITED**

Company number: **09778450**



X664IG2B

Received for Electronic Filing: **10/05/2017**

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**Details of Charge**

Date of creation: **28/04/2017**

Charge code: **0977 8450 0001**

Persons entitled: **ABBAY NATIONAL TREASURY SERVICES PLC**

Brief description: **PREMISES AT ROKERLEA, FULWELL SUNDERLAND (REGISTERED AT HM LAND REGISTRY UNDER TITLE NUMBERS TY42973 AND TY61947).**

**Contains fixed charge(s).**

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

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**Authentication of Form**

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

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**





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

Company number: 9778450

Charge code: 0977 8450 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th April 2017 and created by BASS REAL ESTATE NO. 14 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th May 2017 .

Given at Companies House, Cardiff on 11th May 2017

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**

**DATE:** 28 April 2017

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**DEBENTURE**

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Between

**THE CHARGORS**

and

**THE LENDER**

(as Lender)

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CMS Cameron McKenna LLP  
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Glasgow  
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## TABLE OF CONTENTS

## TABLE OF CONTENTS

1.	Definitions and Interpretation .....	1
2.	Covenant to Pay .....	5
3.	Fixed Security .....	6
4.	Floating Charge.....	7
5.	Perfection of Security .....	8
6.	Further Assurance .....	10
7.	Undertakings .....	11
8.	Representations and Warranties.....	13
9.	Enforcement of Security .....	14
10.	Extension and Variation of the LPA.....	15
11.	Appointment of Receiver and Administrator .....	15
12.	Powers of Receiver .....	16
13.	Discretions and Delegation .....	18
14.	Power of Attorney.....	19
15.	Protection of Purchasers .....	19
16.	Application of Proceeds.....	19
17.	No Liability as Mortgagee in Possession.....	20
18.	Set-off .....	21
19.	Effectiveness of Security .....	21
20.	Certificates and Determinations.....	22
21.	Partial Invalidity .....	22
22.	Remedies and Waivers.....	22
23.	Counterparts.....	22
24.	Assignment .....	22
25.	Releases .....	22
26.	Governing Law .....	23
27.	Enforcement.....	23
	SCHEDULE 1 The Chargors .....	24
	SCHEDULE 2 Real Property .....	26
	Part 1 - Registered Land.....	26
	Part 2 – Unregistered Land.....	28
	SCHEDULE 3 securities.....	29
	SCHEDULE 4 Form of Notice of Charge – Specified Contracts .....	31
	Part 1 – Form of Notice.....	31
	Part 2 - Form of Acknowledgement .....	33
	SCHEDULE 5 Form of Notice of Charge – Accounts not with the Lender .....	35

Part 1 - Form of Notice.....	35
Part 2 - Form of Acknowledgement.....	37

**THIS DEED** is made on the 28 day of April 2017

**BETWEEN:**

- (1) **THE COMPANIES** whose respective names and company numbers appear in Schedule 1 (*The Chargors*) (collectively the “**Chargors**” and each a “**Chargor**”); and
- (2) **ABBEY NATIONAL TREASURY SERVICES PLC** of 2 Triton Square, Regent’s Place, London NW1 3AN as lender (the “**Lender**”).

**WHEREAS:**

- (A) Each Chargor enters into this Deed in connection with a facility agreement (the “**Facility Agreement**”) dated on or around the date hereof and made between (1) Bass Real Estate Limited (the “**Company**”), (2) the subsidiaries of the Company listed in Part I of Schedule 1 to the Facility Agreement as obligors and (3) the Lender.
- (B) The Board of Directors of each Chargor is satisfied that the giving of the guarantee and security contained or provided for in this Deed is in the interests of that Chargor and has passed a resolution to that effect.

**NOW IT IS AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

*Definitions*

- 1.1 Terms defined in the Facility Agreement shall, unless otherwise defined in this Deed, have the same meanings when used in this Deed and in addition in this Deed:

“Account” means the General Account, the Disposals Account or the Rent Account.

“Asset Management Agreement” means the asset management agreement between the Shareholders, Bass Real Estate Limited and Harwood Real Estate Limited dated on or around the date of this Deed.

“Charged Property”: all the assets of each Chargor which from time to time are the subject of any security created or expressed to be created in favour of the Lender by or pursuant to this Deed (but which shall not, for the avoidance of doubt, be deemed to include (or be intended to include) any assets deemed or considered to be situate in Jersey, and any such assets shall be excluded from the provisions of this Deed).

“Commercial Leases”: the following commercial leases:

- (a) lease of Unit 1 176 Church Road, Bristol owned by Bass Real Estate No.2 Limited, between (1) FG (Bristol) Limited and (2) Ahmad Hadi Hmaamin and dated 25 October 2013;
- (b) lease of Unit 2 178 Church Road, Bristol owned by Bass Real Estate No.2 Limited, between (1) Bass Real Estate No.2 Limited and (2) DP Realty Limited and dated 21 November 2016;
- (c) lease of Unit 3 180 Church Road, Bristol owned by Bass Real Estate No.2 Limited, between (1) FG (Bristol) Limited and (2) Robert Victor Hornsey and dated 2 March 2013;
- (d) lease of Unit 1, 42 Mitre Court, Duke Street, Trowbridge owned by Bass Real Estate No.12 Limited, between (1) Bellfield Homes (114) Limited and (2) Jonathan Edward

Cookson and Adrian Phillips acting as LPA Receivers and (3) Joanne Snook-Haldane and dated 3 February 2014; and

- (e) lease of Unit 2, 42 Mitre Court, Duke Street, Trowbridge owned by Bass Real Estate No.12 Limited, between (1) Bellfield Homes (114) Limited and (2) Jonathan Edward Cookson and Adrian Phillips acting as LPA Receivers and (3) Joanne Snook-Haldane and dated 3 February 2014.

**“Debt Proceeds”:** any proceeds of any book debts and other debts or monetary claims (including any chose in action which may give rise to a monetary claim) owing to any Chargor (including, without limitation, any sums of money received by any Chargor from any of the assets charged under Clause 3.2.7 (*Book debts*) and/or Clause 3.2.8 (*Bank accounts and deposits*)).

**“Delegate”:** any person appointed by the Lender or any Receiver pursuant to Clauses 13.2 to 13.4 (*Delegation*) and any person appointed as attorney of the Lender and/or any Receiver or Delegate.

**“Disposals Account”** means the account designated as such under Clause 17 (*Designation of Accounts*) of the Facility Agreement and includes any replacement of that account.

**“Duty of Care Agreement”** means a duty of care agreement entered into or to be entered into by a Managing Agent, one or more Chargors and the Lender in an agreed form.

**“Expenses”:** all costs (including legal fees), charges, expenses and damages sustained or incurred by the Lender or any Receiver or Delegate at any time in connection with the Charged Property or the Secured Liabilities or in taking, holding or perfecting this Deed or in protecting, preserving, defending or enforcing the security constituted by this Deed or in exercising any rights, powers or remedies provided by or pursuant to this Deed (including any right or power to make payments on behalf of any Chargor under the terms of this Deed) or by law in each case on a full indemnity basis.

**“Finance Documents”:** this Deed, the Facility Agreement, any other Security Document, any Hedging Agreement, any Duty of Care Agreement, any Resignation Letter or any other document designated as such by the Lender and the Company.

**“General Account”** means the current account of a Chargor with the Lender and includes any replacement of that Account.

**“Insurances”:** all of the contracts and policies of insurance or assurance (including, without limitation, life policies and the proceeds of them) from time to time taken out by or for the benefit of any Chargor or in which any Chargor from time to time has an interest, together with all bonuses and other moneys, benefits and advantages that may become payable or accrue under them or under any substituted policy.

**“Intellectual Property”:**

- (a) all patents, trademarks, service marks, designs, business names, design rights, moral rights, inventions and all other registered or unregistered intellectual property rights;
- (b) all copyrights (including rights in software), database rights, domain names, source codes, brand names and all other similar registered or unregistered intellectual property rights;



- (c) all applications for intellectual property rights and the benefit of any priority dates attaching to such applications and all benefits deriving from intellectual property rights, including royalties, fees, profit sharing agreements and income from licences;
- (d) all know-how, confidential information and trade secrets; and
- (e) all physical material in which any intellectual property might be incorporated.

**“Liability Period”:** the period beginning on the date of this Deed and ending on the date on which the Lender is satisfied, acting in good faith, that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

**“LPA”:** the Law of Property Act 1925.

**“Mortgaged Property”:** any freehold, commonhold or leasehold property the subject of the security constituted by this Deed and references to any **“Mortgaged Property”** shall include references to the whole or any part or parts of it.

**“Planning Acts”:** all legislation from time to time regulating the development, use, safety and control of property including, without limitation, the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act 2004 and any other instrument, plan, regulation, permission or direction made or issued under any such legislation.

**“Premises”:** all buildings and erections from time to time situated on or forming part of any Mortgaged Property.

**“Property Management Agreement”** means the property management agreement dated 31 May 2016 relating to the Bass Real Estate Ltd Portfolio between, among others, each of the Chargors, the Managing Agent and Centrick Property Sales Limited.

**“Receiver”:** a receiver, receiver and manager or administrative receiver of the whole or any part or parts of the Charged Property.

**“Related Rights”:** means, in relation to the Securities, all dividends, interest, benefits, property, rights, accretions, moneys, advantages, credits, rebates, refunds (including rebates and refunds in respect of any tax, duties, imposts or charges) and other distributions paid or payable in respect of the Securities, whether by way of bonus, capitalisation, conversion, preference, option, substitution, exchange, redemption or otherwise.

**“Rent Account”** means the account designated as such under Clause 17 (*Designation of Accounts*) of the Facility Agreement and includes any replacement of that Account.

**“Secured Liabilities”:** all present and future indebtedness, moneys, obligations and liabilities of the Company and each Chargor to the Lender under the Finance Documents (including this Deed), in whatever currency denominated, whether actual or contingent and whether owed jointly or severally or as principal or as surety or in some other capacity, including any liability in respect of any further advances made under the Finance Documents.

**“Securities”:** all stocks, shares, loan notes, bonds, certificates of deposit, depository receipts, loan capital indebtedness, debentures or other securities from time to time legally or beneficially owned by or on behalf of any Chargor, including, without limitation, any of the same specified in Schedule 3 (*Securities*), together with all property and rights of any Chargor in respect of any account held by or for that Chargor as participant, or as beneficiary of a nominee or trustee participant, with any clearance or settlement system or depository or custodian or sub-custodian

or broker in the United Kingdom or elsewhere, with the exception of those shares owned by a Chargor in respect of the Bristol Entities, which shall not, for as long as the Bristol Entities are not Chargors, be included in the security created pursuant to this Deed.

**“Specified Contracts”**: the Asset Management Agreement, the Property Management Agreement, the Duty of Care Agreement and the Commercial Leases.

1.2 Any reference in this Deed to:

1.2.1 the **“Lender”**, any **“Chargor”**, the **“Company”** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

1.2.2 **“assets”** includes present and future properties, revenues and rights of every description;

1.2.3 **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

1.2.4 a **“person”** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

1.2.5 a **“regulation”** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and

1.2.6 a provision of law is a reference to that provision as amended or re-enacted.

1.3 Clause and Schedule headings are for ease of reference only.

1.4 Any reference in this Deed to a mortgage, charge or assignment of any asset shall be construed so as to include:

1.4.1 the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that asset and all other rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that asset;

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

1.4.3 in respect of any Mortgaged Property, all Premises and all fixtures and fittings (including trade fixtures and fittings and tenants’ fixtures and fittings) from time to time in or on that Mortgaged Property.

1.5 Each term in any Finance Document is, to the extent not set out in or otherwise incorporated into this Deed, deemed to be incorporated into this Deed insofar as is necessary to comply with Section 2 of the Law of Property (Miscellaneous Provisions) Act 1989 but, except where stated otherwise, if there is any conflict between that incorporated term and any other term of this Deed that other term shall prevail.

1.6 Any reference in this Deed to any Finance Document or any other agreement or other document shall be construed as a reference to that Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, substituted, novated or assigned, whether or not as a result of any of the same:

- 1.6.1 there is an increase or decrease in any facility made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any facility is available or in which it is repayable;
  - 1.6.2 any additional, further or substituted facility to or for such facility is provided;
  - 1.6.3 any rate of interest, commission or fees or relevant purpose is changed;
  - 1.6.4 the identity of the parties is changed;
  - 1.6.5 the identity of the providers of any security is changed;
  - 1.6.6 there is an increased or additional liability on the part of any person; or
  - 1.6.7 a new agreement is effectively created or deemed to be created.
- 1.7 Any reference in this Deed to “**this Deed**” shall be deemed to be a reference to this Deed as a whole and not limited to the particular Clause, Schedule or provision in which the relevant reference appears and to this Deed as amended, novated, assigned, supplemented, extended or restated from time to time and any reference in this Deed to a “**Clause**” or a “**Schedule**” is, unless otherwise provided, a reference to a Clause or a Schedule of this Deed.
- 1.8 Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.
- 1.9 Where any provision of this Deed is stated to include one or more things, that shall be by way of example or for the avoidance of doubt only and shall not limit the generality of that provision.
- 1.10 It is intended that this document shall take effect as and be a deed of each Chargor notwithstanding the fact that the Lender may not execute this document as a deed.
- 1.11 Any change in the constitution of the Lender or its absorption of or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way prejudice or affect its rights under this Deed.

### ***Third Party Rights***

- 1.12 Nothing in this Deed is intended to confer on any person any right to enforce or enjoy the benefit of any provision of this Deed which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

## **2. COVENANT TO PAY**

### ***Covenant to Pay***

- 2.1 Each Chargor covenants with the Lender that it shall pay, perform and discharge the Secured Liabilities as and when the same fall due for payment, performance or discharge in accordance with the terms of the Finance Documents or, in the absence of any such express terms, on demand.

### ***Interest***

- 2.2 Each Chargor covenants with the Lender to pay interest on any amounts due under Clause 2.1 (*Covenant to Pay*) from the due date and from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of any person) at the rate and in the manner specified in Clause 8.4 (*Default Interest*) of the Facility Agreement, **provided that**, in the case of any Expense, such interest shall accrue and be payable as from the date on which the relevant Expense arose without the necessity for any demand being made for payment.

### 3. FIXED SECURITY

#### *Charges*

- 3.1 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Lender by way of a first legal mortgage all of that Chargor's right, title and interest in and to the freehold, commonhold and leasehold property now vested in it (including, but not limited to, the freehold, commonhold and leasehold property (if any) specified in Schedule 2 (*Real Property*)).
- 3.2 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Lender by way of first fixed charge all of that Chargor's right, title and interest in and to the following assets, both present and future:
- 3.2.1 all estates or interests in any freehold, commonhold or leasehold property (other than such property effectively mortgaged under Clause 3.1 above);
  - 3.2.2 all licences held by it to enter upon or use land and/or to carry on the business carried on upon that land and all agreements relating to land to which it is a party or otherwise entitled;
  - 3.2.3 where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding Part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;
  - 3.2.4 any amounts owing to it by way of rent, licence fee, service charge, dilapidations, ground rent and/or rent charge in respect of any Mortgaged Property or Premises;
  - 3.2.5 all fixed and other plant and machinery, computers, vehicles, office equipment and other chattels in its ownership or possession (but excluding any of those items to the extent that they are part of its stock in trade);
  - 3.2.6 all Insurances, including all claims, the proceeds of all claims and all returns of premium in connection with Insurances;
  - 3.2.7 all book debts and all other debts or monetary claims (including all choses in action which may give rise to a debt or monetary claim), all proceeds thereof and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same;
  - 3.2.8 all moneys from time to time deposited in or standing to the credit of any Account or to any other bank account with the Lender or any other bank or financial institution (including, without limitation, any rent deposit given to secure liabilities in relation to land and any retention or similar sum arising out of a construction contract or any other contract (and, in each case, any cheque, bill, note, negotiable instrument or other document representing the same) but only to the extent such sum has been appropriated by the Chargor in accordance with the terms of the underlying contract);
  - 3.2.9 all Securities and their Related Rights;
  - 3.2.10 all of its goodwill and uncalled capital;

- 3.2.11 all Intellectual Property;
- 3.2.12 all Authorisations (statutory or otherwise) held in connection with its business or the use of any Charged Property and the right to recover and receive all compensation which may be payable in respect of them;
- 3.2.13 each of the Specified Contracts, together with:
  - (a) all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises;
  - (b) all agreements entered into by it or of which it has the benefit under which credit of any amount is provided to any person;
  - (c) all contracts for the supply of goods and/or services by or to it or of which it has the benefit (including, without limitation, any contracts of hire or lease of chattels); and
  - (d) any currency or interest swap or any other interest or currency protection, hedging or financial futures transaction or arrangement entered into by it or of which it has the benefit (whether entered into with the Lender or any other person),

including, in each case, but without limitation, the right to demand and receive all moneys whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them.

#### **4. FLOATING CHARGE**

##### ***Creation of Floating Charge***

- 4.1 Each Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Lender by way of a first floating charge the whole of its undertaking and assets, present and future, including all of its stock in trade and all assets of that Chargor not otherwise validly and effectively mortgaged, charged or assigned (whether at law or in equity) by way of fixed security pursuant to Clause 3 (*Fixed Security*).

##### ***Qualifying Floating Charge***

- 4.2 The provisions of paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created pursuant to Clause 4.1 (*Creation of Floating Charge*).

##### ***Conversion by Notice***

- 4.3 The Lender may by notice in writing at any time to any Chargor convert the floating charge created by that Chargor pursuant to Clause 4.1 (*Creation of Floating Charge*) with immediate effect into a fixed charge (either generally or specifically as regards any assets of that Chargor specified in the notice) if:
  - 4.3.1 an Event of Default has occurred which is continuing; or
  - 4.3.2 the Lender reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process or that it is

necessary to do so in order to protect or preserve the security constituted by this Deed over any of the Charged Property and/or the priority of that security.

#### ***Automatic Conversion***

- 4.4 Notwithstanding Clause 4.3 (*Conversion by Notice*) and without prejudice to any law which may have a similar effect, each floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to that floating charge if:
- 4.4.1 any Chargor creates or attempts to create any Security over any of the Charged Property (other than as expressly permitted under the Facility Agreement or this Deed);
  - 4.4.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
  - 4.4.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of any Chargor or an administrator is appointed in respect of any Chargor.

### **5. PERFECTION OF SECURITY**

#### ***Registration at HM Land Registry***

- 5.1 For the purposes of panel 8 of each Form RX1 that may be required to be completed by the Lender in relation to any Mortgaged Property registered or required to be registered at HM Land Registry, each Chargor hereby consents to an application being made by the Lender to the Chief Land Registrar to enter the following restriction in Form P against that Chargor's title to such Mortgaged Property:
- "No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [insert full name of Lender] referred to in the charges register or its conveyancer [or specify appropriate details]"*.
- 5.2 If the title to any Mortgaged Property of any Chargor is not registered at HM Land Registry, that Chargor shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of that Mortgaged Property without the prior consent in writing of the Lender.
- 5.3 Whether or not the title to any of the Mortgaged Property is registered at HM Land Registry, in the event that any caution against first registration or any notice (whether agreed or unilateral) is registered against any Chargor's title to any Mortgaged Property, that Chargor shall immediately provide the Lender with full particulars of the circumstances relating to such registration or notice and, if such caution or notice shall have been registered in order to protect a purported interest the creation of which is not permitted under this Deed, that Chargor shall immediately and at its own expense take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

#### ***Further Advances***

- 5.4 The Lender covenants with each Chargor that it shall perform its obligations to make advances under the Facility Agreement (including any obligation to make available further advances).

### ***Acquisition of New Land***

5.5 In relation to any freehold, commonhold or leasehold property which is acquired by or on behalf of any Chargor after the date of this Deed:

5.5.1 if the title to any such property is registered at HM Land Registry, that Chargor shall immediately apply to be registered as the proprietor of the registered estate acquired (or procure that such application is made on its behalf) and (for the purposes of panel 11 of Form AN1) hereby consents to an application being made by the Lender to the Chief Land Registrar for the registration of an agreed notice in Form AN1 to protect this Deed against that Chargor's title to that property;

5.5.2 if the title to any such property is required to be registered at HM Land Registry under the provisions of the Land Registration Act 2002, that Chargor shall immediately apply for first registration of the estate acquired in Form FR1 (or procure that such application is made on its behalf) and shall disclose or procure that the existence of this Deed is disclosed to HM Land Registry either in the Form DL accompanying such application or in panel 12 of Form FR1; and

5.5.3 5.5.3 if the title to any such property represents the transfer of either part of a commonhold unit or part of the common parts of land registered as a freehold estate in commonhold land under the Commonhold and Leasehold Reform Act 2002, that Chargor shall also procure that the application to register the transfer is accompanied by an application in Form CM3 to register the commonhold community statement that has been amended in relation to the transfer as required by Rule 15 or, as the case may be, Rule 16 of the Commonhold (Land Registration) Rules 2004,

and, in each such case, the relevant Chargor shall, immediately after registration of it as the proprietor of the relevant registered estate, provide the Lender with an official copy of the register recording the same.

### ***Notices of Charge***

5.6 Each Chargor shall, promptly upon the request of the Lender from time to time, give or join the Lender in giving:

5.6.1 a notice in the form set out in Part 1 of Schedule 4 (*Form of Notice of Charge – Specified Contracts*) or, as applicable, Part 1 of Schedule 5 (*Form of Notice of Charge – Accounts not with the Lender*) or in such other form as the Lender may reasonably require to each of the counterparties to each Specified Contract to which it is a party and to each bank or financial institution (other than the Lender) in respect of each account of that Chargor opened or maintained with it; and

5.6.2 in respect of any other asset which is charged pursuant to Clause 3 (*Fixed Security*), a notice of charge in such form as the Lender may reasonably require to the relevant obligor, debtor or other third party (as the case may be).

Each such notice shall be duly signed by or on behalf of the relevant Chargor and that Chargor shall use reasonable endeavours to procure that each of the persons on whom any such notice is served promptly provides to the Lender a duly signed acknowledgement of that notice in the form set out in Part 2 of Schedule 4 or, as applicable, Part 2 of Schedule 5 or in such other form in any case as the Lender may reasonably require.

### ***Acknowledgement of Notice***

- 5.7 The execution of this Deed by the Chargors and the Lender shall constitute notice to the Lender of the charge created by this Deed over any account opened or maintained by any Chargor with the Lender.

***Deposit of Documents of Title***

- 5.8 Each Chargor shall promptly deposit with the Lender (unless already held by its solicitors on behalf of and to the Lender's order or at HM Land Registry for the purpose of registration of the security constituted by this Deed) all deeds, certificates and other documents of title from time to time relating to the Mortgaged Property.

***Deposit of Securities***

- 5.9 Each Chargor shall, in respect of any Securities which are in certificated form, promptly:
- 5.9.1 deposit with the Lender or as it may direct all stock and share certificates and other documents of title or evidence of ownership from time to time relating to such Securities; and
  - 5.9.2 execute and deliver to the Lender all share transfers and other documents as the Lender may from time to time request in order to enable the Lender (or its nominee(s)) to be registered as the owner or otherwise obtain a legal title to or to perfect its security interest in such Securities, to the intent that the Lender may at any time without notice complete and present such transfers and documents for registration.
- 5.10 Each Chargor shall, in respect of any Securities which are in uncertificated form, promptly upon being requested to do so by the Lender, give or procure the giving of, in accordance with and subject to the facilities and requirements of the relevant system, all instructions necessary to effect a transfer of title to such Securities into an account in the name of the Lender (or its nominee(s)) and to cause the Operator to register on the relevant register of securities the transfer of such title.
- 5.11 For the purposes of Clauses 5.9 and 5.10 above, the expressions “**certificated**”, “**instruction**”, “**Operator**”, “**relevant system**” and “**uncertificated**” shall have the meanings given to those terms in the Uncertificated Securities Regulations 2001.

**6. FURTHER ASSURANCE**

***Further Assurance***

- 6.1 Each Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Lender or any Receiver may reasonably specify (and in such form as the Lender or any Receiver may reasonably require in favour of the Lender or its nominee(s)) to:
- 6.1.1 perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by that Chargor of a mortgage, charge, assignment or other Security over all or any of the assets forming part of, or which are intended to form part of, the Charged Property);
  - 6.1.2 confer on the Lender Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the security intended to be conferred by or pursuant to this Deed;
  - 6.1.3 facilitate the exercise of any rights, powers and remedies of the Lender or any Receiver or Delegate provided by or pursuant to this Deed or by law;



- 6.1.4 facilitate the realisation of the assets which form part of, or are intended to form part of, the Charged Property; and/or
- 6.1.5 create any charge by way of legal mortgage over any freehold, commonhold or leasehold property which becomes vested in that Chargor after the date of this Deed.

***Necessary Action***

- 6.2 Each 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 Lender by or pursuant to this Deed.

***Acquisition of New Land***

- 6.3 Each Chargor shall immediately notify the Lender of any acquisition by it of any freehold, commonhold or leasehold property or of any agreement entered into by it or of which it has the benefit for the acquisition of any such property.

***Implied Covenants for Title***

- 6.4 Each of the mortgages and charges granted by each Chargor under this Deed are granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, save that the covenants set out in Section 2(1)(a), Section 3 and Section 4 of that Act shall extend to that Chargor without, in each case, the benefit of Section 6(2) of that Act.

**7. UNDERTAKINGS**

***General***

- 7.1 The undertakings in this Clause 7 remain in force from the date of this Deed for so long as any amount is outstanding under this Deed.

***Access***

- 7.2 Each Chargor shall permit the Lender and any other person nominated by it free access at all reasonable times and on reasonable notice to enter upon and/or view the state and condition of the Charged Property (without, in any case, becoming liable to account as mortgagee in possession).

***Voting Rights and Dividends relating to Securities***

- 7.3 At any time prior to the occurrence of a Default which is continuing:
  - 7.3.1 each Chargor shall be entitled to exercise all voting and other rights and powers in respect of the Securities or, if any of the same are exercisable by the Lender (or its nominee(s)), to direct in writing the exercise of those voting and other rights and powers, **provided that** no Chargor shall exercise or direct the exercise of any voting or other rights and powers in any manner which would breach the provisions of the Facility Agreement or would, in the opinion of the Lender, prejudice the value of the Securities or otherwise jeopardise the security constituted by this Deed; and
  - 7.3.2 each Chargor shall pay all dividends, interest and other moneys arising from the Securities in accordance with the Facility Agreement.
- 7.4 At any time after the occurrence of an Event of Default which is continuing, the Lender may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):

- 7.4.1 exercise (or refrain from exercising) all voting and other rights and powers in respect of the Securities;
- 7.4.2 apply all dividends, interest and other moneys arising from the Securities in accordance with Clause 16.1 (*Order of Application*) and, if any of the same are paid or payable to any Chargor, that Chargor shall hold all such dividends, interest and other moneys on trust for the Lender and pay the same immediately to the Lender or as it may direct to be applied in accordance with Clause 16.1;
- 7.4.3 if not already so transferred, transfer the Securities into the name of, or (as applicable) into an account in the name of, the Lender (or its nominee(s)); and
- 7.4.4 in addition to any other power created under this Deed, exercise (or refrain from exercising) all the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities and, except as expressly provided for in the Deed, all the powers and discretions conferred on trustees by the Trustee Act 1925 and the Trustee Act 2000, including, without limitation, the general power of investment set out in Section 3 of the Trustee Act 2000, *provided that* the duty of care set out in Section 1 (1) of the Trustee Act 2000 shall not apply to the exercise of any other power of investment (however conferred) by the Lender (or its nominee(s)) in respect of securities or property subject to a trust.

#### ***Calls and Other Obligations in Respect of Securities***

- 7.5 Each Chargor shall promptly pay all calls and other payments which may be or become due in respect of all or any part of the Securities and, if it fails to do so, the Lender may elect (but shall not be obliged) to make such payments on behalf of that Chargor. Any sums so paid by the Lender shall be reimbursed by the relevant Chargor to the Lender on demand and shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Lender until reimbursed (after as well as before any judgment).
- 7.6 Each Chargor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of all or any part of the Securities.
- 7.7 Neither the Lender nor its nominee(s) shall be liable to make any payment in respect of any calls or other payments which may be or become due in respect of the Securities or be under any duty to make any enquiry into the nature or sufficiency of any payment received by it in respect of the Securities or to present or file or make any claim, take any action or do any other act or thing for the purpose of collecting and/or enforcing the payment of any amount to which it may be entitled in respect of the Securities.
- 7.8 Each Chargor shall copy to the Lender and comply with all requests for information which is within its knowledge and which are made under Section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional documents relating to all or any part of the Securities and, if it fails to do so, the Lender may elect (but shall not be obliged) to provide such information as it may have on behalf of (and at the expense of) that Chargor.
- 7.9 No Chargor shall, without the prior written consent of the Lender, do or cause or permit to be done anything which shall require any company in which any of the Securities is held to treat any person who is not the registered holder of any of the Securities as entitled to enjoy or exercise any rights of a member in relation to the whole or any part of the Securities, except pursuant to the terms of this Deed.

### ***Book Debts and Other Debts***

- 7.10 No Chargor shall at any time deal with its book debts and other debts and monetary claims except by getting in and realising them in the ordinary and usual course of its business and paying all Debt Proceeds (other than rental income, which shall be applied in accordance with the terms of the Facility Agreement) into the General Account of that Chargor with the Lender or into such other account as the Lender may from time to time direct. Each Chargor shall, pending such payment in, hold all such Debt Proceeds upon trust for the Lender.
- 7.11 Each Chargor agrees with the Lender that any moneys received by the Lender under Clause 7.10 above which derive from rental income of that Chargor shall be received by the Lender in its capacity as chargee pursuant to Clause 3.2.7 (*Book debts*) and not in its capacity as mortgagee of any Mortgaged Property.
- 7.12 Save as provided for in the Facility Agreement, each Chargor and the Lender agree that, if any credit balance arises on any Account of that Chargor with the Lender as a result of Debt Proceeds being credited or transferred to such Account, the Lender shall have an absolute discretion whether to permit or to refuse to permit such credit balance to be received, utilised, transferred or withdrawn by that Chargor and the Lender may in its sole discretion at any time transfer all or any part of such credit balance to a separate account of that Chargor with the Lender.

### ***Bank Accounts***

- 7.13 Each Chargor shall promptly deliver to the Lender, on the date of this Deed and, if any change occurs thereafter, on the date of such change, details of each account maintained by it with any bank or financial institution (other than the Lender), such accounts to be in compliance with clause 17.1.2 of the Facility Agreement. Each Chargor undertakes that it shall not, without the Lender's prior written consent, permit or agree to any variation of the rights attaching to any such account or close any such account.
- 7.14 Each Chargor agrees with the Lender that it shall not be entitled to receive, utilise, transfer or withdraw any credit balance from time to time on any account with any bank or financial institution (other than the Lender), except, in any case, with the prior written consent of the Lender or as permitted under the Facility Agreement.
- 7.15 At any time after a Default has occurred which is continuing, no Chargor shall be entitled to receive, utilise, transfer or withdraw any credit balance from time to time on any account except with the prior written consent of the Lender.

### ***Not Jeopardise Security***

- 7.16 No Chargor shall do or cause or permit to be done anything which might in any way depreciate, jeopardise or otherwise prejudice the value to the Lender of the security constituted or intended to be constituted by this Deed, except to the extent expressly permitted by the terms of this Deed.

## **8. REPRESENTATIONS AND WARRANTIES**

Each Chargor represents and warrants to the Lender that:

- 8.1 it is duly incorporated and validly existing under the laws of its place of incorporation;
- 8.2 it has the power to grant this Deed and to perform its obligations hereunder;

- 8.3 it has taken all necessary corporate action to authorise the execution and delivery of this Deed and to authorise the performance of its obligations hereunder;
- 8.4 subject to the Legal Reservations, this Deed constitutes a legal, valid, binding and enforceable obligation of the relevant Chargor;
- 8.5 neither the granting of this Deed by the relevant Chargor nor the performance of its obligations hereunder will contravene any law or regulation or any agreement to which that Chargor is a party or by which it is bound nor will it cause any limitation of any of the powers of that Chargor however imposed or the right or ability of the directors to exercise any such powers to be exceeded;
- 8.6 all authorisations required for the entry into, performance, validity and enforceability of this Deed by the Chargor and for the conduct of its business have been obtained and are in full force and effect; and
- 8.7 this Deed creates those security interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

## 9. ENFORCEMENT OF SECURITY

### *When Security Becomes Enforceable*

- 9.1 The security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by Section 101 of the LPA, as varied or extended by this Deed, shall be immediately exercisable upon and at any time after the occurrence of an Event of Default which is continuing.
- 9.2 After the security constituted by this Deed has become enforceable, the Lender 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 Charged Property.

### *Right of Appropriation*

- 9.3 To the extent that any of the Charged Property constitutes “**financial collateral**” and this Deed and the obligations of any Chargor under this Deed constitute a “**security financial collateral arrangement**” (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (the “**FCA Regulations**”)), the Lender shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of such financial collateral shall be (in the case of cash) the amount standing to the credit of each bank account of the relevant Chargor, together with any accrued but unpaid interest, at the time the right of appropriation is exercised and (in the case of Securities) the market price of such Securities determined by the Lender by reference to a public index or by such other process as the Lender may reasonably select, including independent valuation. In each case, the parties agree that the manner of valuation provided for in this Clause 9.3 shall constitute a commercially reasonable manner of valuation for the purposes of the FCA Regulations.

### *Redemption of Prior Mortgages*

- 9.4 The Lender or any Receiver may at any time:
- 9.4.1 redeem any prior Security over any Charged Property; or

- 9.4.2 procure the transfer of that Security to the Lender; or
- 9.4.3 settle and pass the accounts of the person or persons entitled to such Security (and any accounts so settled and passed shall be conclusive and binding on the relevant Chargor).
- 9.5 All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption or transfer shall be paid by the relevant Chargor to the Lender and every Receiver on demand and shall be secured by this Deed.

## **10. EXTENSION AND VARIATION OF THE LPA**

### ***General***

- 10.1 For the purposes of all powers implied by the LPA, such powers shall arise (and the Secured Liabilities shall be deemed to have become due and payable for that purpose) on the date of this Deed.
- 10.2 Section 93 of the LPA (restricting the right of consolidation) shall not apply to the security constituted by this Deed.
- 10.3 No Chargor shall exercise or agree to exercise any of the powers of leasing or of accepting surrenders of leases conferred by sections 99 and 100 of the LPA or by common law or otherwise or grant or accept or agree to grant or accept any lease, tenancy or licence or share or agree to share possession or occupation of the Charged Property other than in accordance with the terms of the Facility Agreement but the Lender shall be entitled to grant and make agreements for leases at a premium or otherwise and accept surrenders of leases and grant options on such terms as the Lender shall consider expedient and without stator or other restrictions.
- 10.4 The power of sale and other powers conferred on a mortgage by law (including Section 101 of the LPA) as varied or amended by this Deed will be immediately exercisable at any time after this Deed has become enforceable.
- 10.5 Section 103 of the LPA shall not apply to this Deed.

### ***Privileges***

- 10.6 Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

## **11. APPOINTMENT OF RECEIVER AND ADMINISTRATOR**

### ***Appointment***

- 11.1 At any time after the security constituted by this Deed has become enforceable or if any Chargor so requests the Lender in writing (in which case the security constituted by this Deed shall become immediately enforceable), the Lender may without prior notice to any Chargor:
- 11.1.1 appoint free from the restrictions imposed by Section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Lender had become entitled under the LPA to exercise the power of sale conferred under the LPA; or
- 11.1.2 appoint one or more persons to be an administrator of any one or more of the Chargors.

### ***Removal***

- 11.2 The Lender may by writing under its hand (or by an application to the court where required by law):
- 11.2.1 remove any Receiver appointed by it; and
- 11.2.2 may, whenever it deems it expedient, appoint any one or more persons to be a new Receiver in the place of or in addition to any Receiver.

### ***Statutory Powers of Appointment***

- 11.3 The powers of appointment of a Receiver conferred by this Deed shall be in addition to all statutory and other powers of appointment of the Lender under the LPA (as extended by this Deed) or otherwise and such powers shall be and remain exercisable from time to time by the Lender in respect of any part or parts of the Charged Property.

### ***Capacity of Receiver***

- 11.4 Each Receiver shall be deemed to be the agent of the relevant Chargor for all purposes. Each Chargor alone shall be responsible for a Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him.
- 11.5 The agency of each Receiver shall continue until the relevant Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.
- 11.6 If there is more than one Receiver holding office at the same time, each Receiver shall (unless the document appointing him states otherwise) be entitled to act (and to exercise all of the powers conferred on a Receiver under this Deed) individually or together with any other person appointed or substituted as Receiver.

### ***Remuneration of Receiver***

- 11.7 The Lender may fix the remuneration of any Receiver appointed by it without any restriction imposed by Section 109(6) of the LPA and the remuneration of the Receiver shall be a debt secured by this Deed, which shall be due and payable immediately upon its being paid by the Lender.

## **12. POWERS OF RECEIVER**

### ***General***

- 12.1 Each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out below in this Clause 12 in addition to those conferred by law.
- 12.2 Without prejudice to the generality of this Clause 12, each Receiver shall have all the rights, powers and discretions of an administrative receiver under Schedule 1 to the Insolvency Act 1986 (to the extent applicable to the relevant Charged Property) whether he falls within the statutory definition of an administrative receiver or not.

### ***Specific Powers***

- 12.3 Each Receiver shall have the following powers (and every reference in this Clause 12.3 to the "**Charged Property**" shall be read as a reference to that part or parts of the Charged Property in respect of which that Receiver was appointed):
- 12.3.1 power to purchase or acquire land and purchase, acquire or grant any interest in or right over land as he thinks fit;

- 12.3.2 power to take immediate possession of, get in and collect any Charged Property;
- 12.3.3 power to carry on the business of any Chargor as he thinks fit;
- 12.3.4 power (but without any obligation to do so) to:
- (a) make and effect all repairs, alterations, additions and insurances and do all other acts which any Chargor might do in the ordinary conduct of its business as well for the protection as for the improvement of the Charged Property;
  - (b) commence or complete any building operations on the Charged Property;
  - (c) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence; and
  - (d) negotiate for compensation with any authority which may intend to acquire or be in the process of acquiring all or any part of the Charged Property and make objections to any order for the acquisition of all or any part of the Charged Property and represent any Chargor at any enquiry to be held to consider such objections or otherwise relating to any such acquisition,
- in each case as he thinks fit;
- 12.3.5 power to appoint and discharge managers, officers, agents, advisers, accountants, servants, workmen, contractors, surveyors, architects, lawyers and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit and power to discharge any such persons appointed by any Chargor (and the costs incurred by any Receiver in carrying out such acts or doing such things shall be reimbursed to that Receiver by the relevant Chargor on demand and until so reimbursed shall carry interest at the rate specified in Clause 2.2 (*Interest*) from the date of payment by the Receiver until reimbursed (after as well as before any judgment));
- 12.3.6 power to raise and borrow money either unsecured or (with the prior consent of the Lender) on the security of any Charged Property either in priority to the security constituted by this Deed or otherwise and generally on any terms and for whatever purpose he thinks fit;
- 12.3.7 power to sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms as he thinks fit;
- 12.3.8 power to sever and sell separately any fixtures from the property containing them without the consent of any Chargor;
- 12.3.9 power to let any Charged Property for any term and at any rent (with or without a premium) as he thinks fit and power to accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender);
- 12.3.10 power to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Charged Property;

- 12.3.11 power to bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Charged Property or in relation to any Chargor which may seem to him to be expedient;
- 12.3.12 power to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Property;
- 12.3.13 power to form a subsidiary of any Chargor and transfer to that subsidiary any Charged Property;
- 12.3.14 power to do all such acts as may seem to him to be necessary or desirable in order to initiate or continue any development of any Charged Property and for these purposes to appoint and to enter into such contracts with such building and engineering contractors or other contractors and professional advisers as he may think fit;
- 12.3.15 power to call any meeting of the members or directors of any Chargor in order to consider such resolutions or other business as he thinks fit;
- 12.3.16 power to exercise in relation to any Charged Property all the powers and rights which he would be capable of exercising if he were the absolute beneficial owner of the same;
- 12.3.17 power to do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and
- 12.3.18 power to exercise any of the above powers in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of that Chargor.

***Lender's Powers***

- 12.4 To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) upon a Receiver may after the security constituted by this Deed has become enforceable be exercised by the Lender in relation to any Charged Property, irrespective of whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

**13. DISCRETIONS AND DELEGATION**

***Discretion***

- 13.1 Any liberty or power which may be exercised or any determination which may be made under this Deed by the Lender or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

***Delegation***

- 13.2 Each of the Lender and 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).
- 13.3 Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver (as the case may be) shall think fit.
- 13.4 Neither the Lender nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.



## **14. POWER OF ATTORNEY**

### ***Appointment and Powers***

- 14.1 Each Chargor, by way of security, irrevocably appoints the Lender, every Receiver and every Delegate severally and independently to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- 14.1.1 carrying out any obligation imposed on any Chargor by this Deed; and
- 14.1.2 enabling the Lender or any Receiver or Delegate to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on it or him by or pursuant to this Deed or by law (including the exercise of any right of an absolute legal or beneficial owner of the Charged Property).

### ***Ratification***

- 14.2 Each Chargor shall ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under Clause 14.1 (*Appointment and Powers*).

### ***Exercise of Powers***

- 14.3 The appointment effected under Clause 14.1 shall take effect immediately, but the powers conferred shall only become exercisable upon the occurrence of an Event of Default which is continuing or if the relevant Chargor does not fulfil any of its obligations under Clause 6 (*Further assurance*) within 10 Business Days of notice from the Lender to do so.

## **15. PROTECTION OF PURCHASERS**

### ***Consideration***

- 15.1 The receipt of the Lender 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 Charged Property (including a disposal by a Receiver or Delegate to any subsidiary of any Chargor) or in making any acquisition in the exercise of their respective powers, the Lender, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

### ***Protection of Third Parties***

- 15.2 No person (including a purchaser) dealing with the Lender, any Receiver or any Delegate shall be bound to enquire:
- 15.2.1 whether the Secured Liabilities have become payable; or
  - 15.2.2 whether any power which the Lender or any Receiver or Delegate is purporting to exercise has arisen or become exercisable; or
  - 15.2.3 whether any money remains due under the Finance Documents; or
  - 15.2.4 how any money paid to the Lender or to any Receiver or Delegate is to be applied,
- or shall be concerned with any propriety, regularity or purpose on the part of the Lender or any Receiver or Delegate in such dealings or in the exercise of any such power.

## **16. APPLICATION OF PROCEEDS**

### ***Order of Application***

- 16.1 All moneys received or recovered by the Lender, any Receiver or any 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 thereto and by way of variation of the provisions of the LPA) be applied in the following order (but without prejudice to the right of the Lender to recover any shortfall from any Chargor):
- 16.1.1 in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of his rights and powers, including his remuneration, and all outgoings paid by him;
  - 16.1.2 in or towards payment of all other Expenses;
  - 16.1.3 in or towards payment of all other Secured Liabilities or such part of them as is then due and payable to the Lender in accordance with the order of application set out in Clause 29.3 (*Partial Payments*) of the Facility Agreement; and
  - 16.1.4 in payment of the surplus (if any) to any Chargor or other person entitled to it.
- 16.2 Clause 16.1 (*Order of Application*) will override any appropriation made by any Chargor.

***New Accounts***

- 16.3 If the Lender at any time receives, or is deemed to have received, notice of any subsequent Security or other interest affecting any Charged Property, the Lender may open a new account with any Chargor.
- 16.4 If the Lender does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, such notice. As from that time all payments made by or on behalf of any Chargor to the Lender shall be credited or be treated as having been credited to the new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

***Currency Conversion***

- 16.5 For the purpose of or pending the discharge of any of the Secured Liabilities, the Lender may (in its absolute discretion) convert any moneys received or recovered by the Lender or any Receiver or Delegate pursuant to this Deed or any moneys subject to application by the Lender or any Receiver or Delegate pursuant to this Deed from one currency to another and any such conversion shall be made at the Lender's spot rate of exchange for the time being for obtaining such other currency with the first currency and the Secured Liabilities shall be discharged only to the extent of the net proceeds of such conversion realised by the Lender. Nothing in this Deed shall require the Lender to make, or shall impose any duty of care on the Lender in respect of, any such currency conversion.

**17. NO LIABILITY AS MORTGAGEE IN POSSESSION**

Neither the Lender nor any Receiver or Delegate shall in any circumstances (either by reason of entering into or taking possession of any Charged Property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to any Chargor for anything, except actual receipts, or be liable to any Chargor for any costs, charges, losses, liabilities or expenses arising from the realisation of any Charged Property or from any act, default or omission of the Lender, any Receiver, any Delegate or any of their respective officers, agents or employees in relation to the Charged Property or from any exercise or purported exercise or non-exercise by the Lender or any Receiver or Delegate of any power, authority or discretion provided by or pursuant to this Deed or by law or for any other loss of

any nature whatsoever in connection with the Charged Property or the Finance Documents except in the case of gross negligence or wilful misconduct on the part of that person.

## **18. SET-OFF**

Without limiting any other rights conferred on the Lender by law or by any other agreements entered into with any Chargor, the Lender may (but shall not be obliged to) set off any matured obligation due from any Chargor under this Deed (to the extent beneficially owned by the Lender) against any mature obligation owed by the Lender to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If the obligation owed by the Lender is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

## **19. EFFECTIVENESS OF SECURITY**

### ***Continuing Security***

- 19.1 The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, unless and until discharged by the Lender, and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

### ***Cumulative Rights***

- 19.2 The security constituted by this Deed and all rights, powers and remedies of the Lender provided by or pursuant to this Deed or by law shall be cumulative and in addition to, and independent of, any other guarantee or Security now or subsequently held by the Lender for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Lender over the whole or any part of the Charged Property shall be superseded by, or supersede or merge into, the security constituted by this Deed.

### ***Reinstatement***

- 19.3 If any discharge, release or arrangement (whether in respect of the obligations of the Company or another Chargor or any Security for those obligations or otherwise) is made by the Lender in whole or in part on the faith of any payment, Security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under, the security constituted by this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.
- 19.4 The Lender may concede or compromise any claim that any payment or any discharge is liable to avoidance or restoration.

### ***No Security Held by Chargors***

- 19.5 No Chargor shall take or receive any Security from the Company or another Chargor or any other person in connection with its liability under this Deed. However, if any such Security is so taken or received by any Chargor:
- 19.5.1 it shall be held by that Chargor on trust for the Lender, together with all moneys at any time received or held in respect of such Security, for application in or towards payment and discharge of the Secured Liabilities; and
- 19.5.2 19.

19.5.3 on demand by the Lender, the relevant Chargor shall promptly transfer, assign or pay to the Lender all Security and all moneys from time to time held on trust by it under this Clause 19.5.

## **20. CERTIFICATES AND DETERMINATIONS**

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

## **21. PARTIAL 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 of this Deed nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired and, if any part of the security constituted, or intended to be constituted, by this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

## **22. REMEDIES AND WAIVERS**

22.1 No failure to exercise, nor any delay in exercising, on the part of the Lender, any right, remedy or power under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right, remedy or power prevent any further or other exercise or the exercise of any other right, remedy or power. The rights, remedies and powers provided in this Deed are cumulative and not exclusive of any rights, remedies or powers provided by law.

22.2 Any amendment, waiver or consent by the Lender under this Deed must be in writing and may be given subject to any conditions thought fit by the Lender. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

## **23. COUNTERPARTS**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed. Delivery of an electronic counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

## **24. ASSIGNMENT**

The Lender may assign, charge or transfer all or any of its rights under this Deed to any person to whom it assigns or transfers all or any of its rights and obligations under the Finance Documents. The Lender may disclose any information about any Chargor and this Deed as the Lender shall consider appropriate to any actual or proposed direct or indirect successor or to any person to whom information is required to be disclosed by any applicable law or regulation.

## **25. RELEASES**

25.1 When the Secured Liabilities have been irrevocably paid or discharged in full to the satisfaction of the Lender and the Lender has no further obligation to provide credit facilities or other accommodation to any Chargor or, if the Lender so agrees, at any other time, the Lender shall execute such documents as may be required to release this Deed and any other security created over the Charged Property under the terms of this Deed.

- 25.2 If any payment or discharge of the Secured Liabilities is, in the reasonable opinion of the Lender, liable to be avoided or invalidated under any enactment relating to bankruptcy or insolvency, the Lender may refuse to grant any release of the security created by this Deed for such further period as the risk of such avoidance or invalidity continues.

## **26. GOVERNING LAW**

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

## **27. ENFORCEMENT**

### ***Jurisdiction***

- 27.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a “**Dispute**”).
- 27.2 Each Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly it will not argue to the contrary or take proceedings relating to a Dispute in any other courts.
- 27.3 Clauses 27.1 and 27.2 above are for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.
- 27.4 Without prejudice to Clauses 27.1 and 27.2 above, the Company further agrees that proceedings relating to a Dispute may be brought in the courts of Jersey and irrevocably submits to the jurisdiction of such courts.
- 27.5 Each Chargor irrevocably waives any right it may have to the trial by jury in any proceedings relating to a Dispute.

### **27.6 *Waiver of Immunity***

- 27.7 To the extent that any of the Chargors may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), that Chargor irrevocably agrees not to claim and irrevocably waives such immunity to the fullest extent permitted by the laws of that jurisdiction.

**IN WITNESS** of which this Deed has been entered into as a deed and is intended to be and is delivered on the day and year first before written.

**SCHEDULE 1  
THE CHARGORS**

<b>Name</b>	<b>Company Number</b>	<b>Registered Office</b>	<b>Address for Notices</b>	<b>Fax Number</b>	<b>For Attention Of:</b>
Bass Real Estate Limited	119309	Elizabeth House, 9 Castle Street, St Helier, Jersey JE2 3RT	Elizabeth House, 9 Castle Street, St Helier, Jersey JE2 3RT	01534 700007	The Directors
Bass Real Estate No. 2 Limited	09778165	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate No. 3 Limited	09778430	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate No. 4 Limited	09778255	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate No. 5 Limited	09778059	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate No. 6 Limited	09778593	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate No. 7 Limited	09779258	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate No. 8 Limited	09778291	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate No. 9 Limited	09779225	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate No. 10 Limited	09778358	6 Stratton Street, London, England W1J 8LD			
Bass Real Estate	09778396	6 Stratton Street, London, England			

No. 12 Limited		W1J 8LD
Bass Real Estate No. 13 Limited	09778408	6 Stratton Street, London, England W1J 8LD
Bass Real Estate No. 14 Limited	09778450	6 Stratton Street, London, England W1J 8LD
Bass Real Estate No. 15 Limited	09778484	6 Stratton Street, London, England W1J 8LD
Bass Real Estate No. 16 Limited	09778566	6 Stratton Street, London, England W1J 8LD
Bass Real Estate No. 17 Limited	09778511	6 Stratton Street, London, England W1J 8LD
Bass Real Estate No. 18 Limited	09778522	6 Stratton Street, London, England W1J 8LD

**SCHEDULE 2  
REAL PROPERTY**

**PART 1 - REGISTERED LAND**

(Freehold, commonhold or leasehold property (if any) in England and Wales of which the relevant  
Chargor is registered as the proprietor at the Land Registry)

<b>Name of Chargor</b>	<b>Premises at:</b>	<b>Registered at HM Land Registry under Title No:</b>
Bass Real Estate No.2 Limited (09778165)	176 – 180 (even) Church Road, Bristol	AV175507
Bass Real Estate No.3 Limited (09778430)	The Old Picture House, Norton Avenue, Stockton on Tees	CE48348
Bass Real Estate No.4 Limited (09778255)	Paper Mill Yard, King Street, Norwich	NK174702
Bass Real Estate No.5 Limited (09778059)	The Works, Stourbridge Road, Halesowen	WM741200
Bass Real Estate No.6 Limited (09778593)	The Picture House, King Street, Carlisle	CU42118
Bass Real Estate No.7 Limited (09779258)	56 & 58 Croxteth Road, Liverpool	MS256629 and MS49952
Bass Real Estate No.8 Limited (09778291)	14, 16 and 18 Alexandria Terrace, Princes Road, Liverpool	LA327265
Bass Real Estate No.9 Limited (09779225)	Avonmore Court, Raleigh Street, Walsall	SF110124 and WM463992
Bass Real Estate No.10 Limited (09778358)	Bedford Mews, 13 – 15 Bedford Street, Coventry	WM109378
Bass Real Estate No.12 Limited (09778396)	Mitre Court, Duke Street, Trowbridge	WT214829
Bass Real Estate No.13 Limited (09778408)	22 – 28 (even) Friar Street, Hereford	HE29914
Bass Real Estate No.14 Limited	Rokerlea, Fulwell Sunderland	TY42973 and TY61947



(09778450)		
Bass Real Estate No.15 Limited (09778484)	Old Coop Building, Church Road, Backworth, Newcastle	TY446855
Bass Real Estate No.16 Limited (09778566)	Hartburn Mews, Stockton on Tees	CE157147
Bass Real Estate No.17 Limited (09778511)	Regents Court, Durham	DU132649 and DU293888
Bass Real Estate No.18 Limited (09778522)	Smith's Flour Mill, Walsall	WM952292 WM952306 WM952309 WM952328 WM952330 WM952417 WM953257 WM953288 WM953320 WM953332 WM953490 WM953493 WM953522 WM953548 WM953560 WM953567 WM953588 WM953616 WM953625 WM954006 WM954050 WM954093 WM954125 WM954155 WM954179 WM954196 WM954241 WM954325 WM954390 WM954402 WM954415

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		WM954477
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		WM954606
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		WM954694
		WM954923
		WM954928
		WM954934
		WM954943
		WM954980
		WM954990
		WM955541
		WM955548
		WM955572

## **PART 2 – UNREGISTERED LAND**

**(Freehold or leasehold property (if any) in England and Wales title to which is not registered at the Land Registry of which the relevant Chargor is the owner)**

The freehold/leasehold property comprised in the following title deed(s) or other document(s) of title:

None.

**SCHEDULE 3  
SECURITIES**

<b>Name of Chargor</b>	<b>Details of company in which shares are held</b>	<b>Number of shares</b>	<b>Description of shares (class, par value etc)</b>
Bass Real Estate Limited	Bass Real Estate No. 2 Limited	590,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 3 Limited	550,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 4 Limited	800,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 5 Limited	50,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 6 Limited	690,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 7 Limited	200,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 8 Limited	440,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 9 Limited	350,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 10 Limited	170,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 12 Limited	242,846	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 13 Limited	400,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 14 Limited	280,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 15 Limited	260,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 16 Limited	230,001	Ordinary

Bass Real Estate Limited	Bass Real Estate No. 17 Limited	270,001	Ordinary
Bass Real Estate Limited	Bass Real Estate No. 18 Limited	380,001	Ordinary

**SCHEDULE 4**  
**FORM OF NOTICE OF CHARGE – SPECIFIED CONTRACTS**

**PART 1 – FORM OF NOTICE**

To: [Name of relevant counterparty to Specified Contract]

Address: [●]

[Date]

Dear Sirs

[insert name of Lender] (the “**Lender**”) and [name of relevant Chargor] (the “**Company**”) HEREBY GIVE NOTICE that by a charge contained in a mortgage debenture dated [●] and made between, inter alios, the Company and the Lender (the “**Debenture**”) the Company charged to the Lender by way of first fixed charge all of its present and future right, title and interest in and to the following agreement:

[describe agreement]

(the “**Agreement**”) including, but not limited to, the right to demand and receive all moneys whatsoever payable to or for the benefit of the Company under or arising from the Agreement, all remedies provided for in the Agreement or available at law or in equity in relation to the Agreement, the right to compel performance of the Agreement and all other rights, interests and benefits whatsoever accruing to or for the benefit of the Company arising from the Agreement.

All moneys payable by you to the Company pursuant to the Agreement shall be paid to the Company’s account (account number [insert account number], sort code [insert sort code] and account reference “[insert account name]”) with the Lender unless and until you receive notice from the Lender to the contrary, in which event you should make all future payments as directed by the Lender.

Notwithstanding the charge referred to above or the making of any payment by you to the Lender pursuant to it, the Company shall remain liable under the Agreement to perform all the obligations assumed by it under the Agreement and neither the Lender nor any receiver nor any delegate appointed by the Lender or any such receiver shall be at any time under any obligation or liability to you under or in respect of the Agreement. The Company shall also remain entitled to exercise all its rights, powers and discretions under the Agreement and you should continue to give notices under the Agreement to the Company in each case unless and until you receive notice from the Lender to the contrary when all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Lender or as it directs.

Please note that, pursuant to the Debenture, the Company and the Lender have agreed that the Company will not make or agree to make any amendments, variations or modifications to the Agreement or waive any of its rights under the Agreement, without the prior written consent of the Lender [or except as expressly permitted by the terms of the Debenture].

The Company confirms that:

1. in the event of any conflict between communications received from it and from the Lender, the communication from the Lender shall prevail;
2. none of the instructions, authorisations or confirmations in this Notice of Charge (the “**Notice**”) can be revoked or varied in any way except with the Lender’s specific written consent; and
3. any written notice or instructions given to you by the Lender in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Lender at [address] for the attention of [officer/department].

This Notice [and any non-contractual obligations arising out of or in connection with it] / [is] / [are] governed by English law.

Yours faithfully,

.....

for and on behalf of  
[name of relevant Chargor]

.....

for and on behalf of  
[insert name of Lender]

## PART 2 - FORM OF ACKNOWLEDGEMENT

[on duplicate]

To: [insert name of Lender]

Address: [●]

Attention: [●]

[Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We give any consent to the creation of the charge required pursuant to the Agreement and agree to and confirm that:

1. we will pay all moneys hereafter becoming due to the Company in respect of the Agreement as directed in the Notice and accept and will comply with the terms of the Notice;
2. we will send to you copies of any notices which we may give to the Company under the Agreement at the same time as we send them to the Company;

### OPTION

3. [we shall not exercise or seek to exercise any right which we may have to terminate or treat as terminated the Agreement without first giving to you by registered or recorded delivery post not less than [20] working days' prior written notice specifying our grounds for terminating or treating as terminated the Agreement and further that we shall not terminate the Agreement nor treat the same as terminated if:
  - (a) any breach giving rise to the right to terminate the Agreement is remedied before the expiration of [20] working days from such notice; or
  - (b) prior to the expiry of such period, you have agreed to execute or procure the execution of, and you call upon us to execute, a novation agreement (in form and substance acceptable to you) by which you[, a receiver appointed by you under the Debenture] or another person nominated by you and approved by us (such approval not to be unreasonably withheld or delayed) assume(s) the rights and obligations of the Company under the Agreement (but giving credit to you[, such receiver] or such other person for moneys already paid and obligations already performed by or on behalf of the Company pursuant to the Agreement) and we agree and confirm that on being called upon to execute any such novation agreement we shall promptly execute the same;]
4. [we shall provide to you promptly on request any documents or other relevant information which you[, such receiver] or such other person may from time to time require in order to perform the obligations of the Company;]
5. [if you should serve on us a notice in writing stating that the Company is in breach of an obligation on its part under or in connection with the Debenture, we shall:
  - (a) permit you to exercise all or any of the rights of the Company under the Agreement for so long as you shall require. Such notice in writing shall be binding and conclusive upon us; and/or

- (b) enter into a novation agreement (in form and substance acceptable to you) by which you[, a receiver appointed by you under the Debenture] or another person nominated by you and approved by us (such approval not to be unreasonably withheld or delayed) assume(s) the rights and obligations of the Company under the Agreement (but giving credit to you[, such receiver] or such other person for moneys already paid and obligations already performed by or on behalf of the Company pursuant to the Agreement) and we agree and confirm that on being called upon to execute any such novation agreement we shall promptly execute the same;]

**END OF OPTION**

6. we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over, or affecting, the Agreement or any other notice relating to the Agreement; and
7. this acknowledgement is freely assignable or transferable by you, by any subsequent assignee, transferee or successor in title in accordance with the terms of the Agreement (“**Subsequent Party**”) and by any receiver appointed by you or by any Subsequent Party pursuant to the Debenture.

Yours faithfully,

.....

for and on behalf of

*[Name of relevant counterparty to Specified Contract]*



**SCHEDULE 5**  
**FORM OF NOTICE OF CHARGE – ACCOUNTS NOT WITH THE LENDER**

**PART 1 - FORM OF NOTICE**

To: [Name of relevant bank or financial institution]

Address: [●]

[Date]

Dear Sirs

[insert name of Lender] (the “**Lender**”) and [name of relevant Chargor] (the “**Company**”) HEREBY GIVE NOTICE that by a charge contained in a mortgage debenture dated [●] and made between, inter alios, the Company and the Lender (the “**Debenture**”) the Company charged to the Lender by way of first fixed charge all of its present and future right, title and interest in and to all moneys from time to time deposited in or standing to the credit of any bank account with any bank or financial institution, including the following account(s) (each a “**Relevant Account**”) maintained with you:

*[Specify accounts: account name, account number, details of branch etc].*

Accordingly, the Company hereby irrevocably and unconditionally instructs and authorises you:

1. to disclose to the Lender, without any reference to or further authority from the Company and without any enquiry by you as to the justification for such disclosure, such information relating to any of the Relevant Accounts and the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts as the Lender may at any time and from time to time request you to disclose to it;
2. [not to permit any withdrawal by the Company of all or any part of the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts without the prior written consent of the Lender [or except as expressly permitted by the terms of the Debenture];]
3. to hold all moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts to the order of the Lender and to pay or release all or any part of such moneys in accordance with the written instructions of the Lender at any time and from time to time; and
4. to comply with the terms of any other written notice or instructions that you receive at any time and from time to time from the Lender in any way relating to the Debenture, any of the Relevant Accounts or the moneys from time to time deposited in or standing to the credit of any of the Relevant Accounts without any reference to or further authority from the Company and without any enquiry by you as to the justification for or validity of such notice or instructions.

[The Lender has agreed that the Company may withdraw any moneys from any of the Relevant Accounts without any reference to or further authority from the Lender except to the extent that the Lender gives you notice to the contrary. Upon and after the giving of such notice, the Company shall cease to be entitled to make any such withdrawal to the extent specified in the notice.]

The Company confirms that:

- (a) in the event of any conflict between communications received from it and from the Lender, the communication from the Lender shall prevail;

- (b) none of the instructions, authorisations or confirmations in this Notice of Charge (the “Notice”) can be revoked or varied in any way except with the Lender’s specific written consent; and
- (c) any written notice or instructions given to you by the Lender in accordance with this Notice shall be conclusive.

Kindly acknowledge receipt of this Notice and confirm your agreement to it by signing the enclosed form of acknowledgement and returning it to the Lender at [address] for the attention of [officer/department].

This Notice [and any non-contractual obligations arising out of or in connection with it] / [is] / [are] governed by English law.

Yours faithfully,

.....

for and on behalf of  
[name of relevant Chargor]

.....

for and on behalf of  
[insert name of Lender]

**PART 2 - FORM OF ACKNOWLEDGEMENT**

*[on duplicate]*

To: *[insert name of Lender]*

Address: [●]

Attention: [●]

[Date]

Dear Sirs

We acknowledge receipt of the Notice of Charge of which this is a copy. Terms and expressions defined in that Notice shall have the same meanings when used in this acknowledgment. We agree to and confirm the following:

1. we accept and will comply with the terms of the Notice;
2. we have not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over or affecting any of the Relevant Accounts;
3. we have not claimed or exercised and will not claim or exercise (except with the Lender's prior written consent) any security interest, right of set-off, consolidation or counterclaim or any other right against or in respect of any of the Relevant Accounts, except in respect of our usual administrative and transactional fees and charges in relation to the Relevant Account in question; and
4. we shall not permit the Company to make any withdrawal from any of the Relevant Accounts **EITHER** [without the prior written consent of the Lender [or except as expressly permitted by the terms of the Debenture].] **OR** [after receipt by us of a notice from the Lender prohibiting such withdrawals to the extent specified in that notice.]

Yours faithfully,

.....

for and on behalf of

*[name of relevant bank or financial institution]*

**EXECUTION PAGE**

**THE CHARGORS**

Executed as a deed by  
**BASS REAL ESTATE LIMITED**

on being signed by a director

..... **Martin Cudlipp** ·  
in the presence of:

Director

Name of witness:

**FRANCESCA RENAUULT**

Signature of witness:

UK - 217250160,7

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by )

BASS REAL ESTATE NO. 2 LIMITED )

on being signed by a director )

..... Martin Cudlipp..... )

in the presence of: )

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by )

BASS REAL ESTATE NO.3 LIMITED )

on being signed by a director )

..... Martin Cudlipp... )

in the presence of: )

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

Executed as a deed by )

BASS REAL ESTATE NO.4 LIMITED )

on being signed by a director )

..... Martin Cudlipp..... )

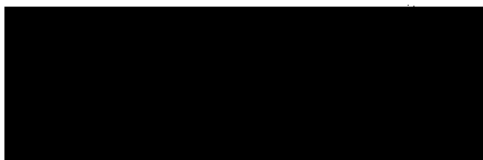
in the presence of: )

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:



Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

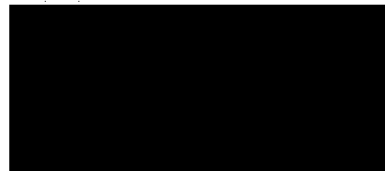
Executed as a deed by

BASS REAL ESTATE NO.5 LIMITED

on being signed by a director

..... Martin Cudlipp.....

in the presence of:



Director

Name of witness:

FRANCESCA RENALTI

Signature of witness:



Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.6 LIMITED

on being signed by a director

..... Martin Cudlipp..

in the presence of:



Director

Name of witness:

FRANCESCA RENALTI

Signature of witness:



Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.7 LIMITED

on being signed by a director

..... Martin Cudlipp

in the presence of:



Director

Name of witness:

FRANCESCA RENALTI

Signature of witness:

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.8 LIMITED

on being signed by a director

Martin Cudlipp

in the presence of:

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.9 LIMITED

on being signed by a director

Martin Cudlipp

in the presence of:

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.10 LIMITED

on being signed by a director

Martin Cudlipp

in the presence of:

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.12 LIMITED

on being signed by a director

..... Martin Cudlipp

in the presence of:

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.13 LIMITED

on being signed by a director

..... Martin Cudlipp

in the presence of:

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:

Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.14 LIMITED

on being signed by a director

..... Martin Cudlipp

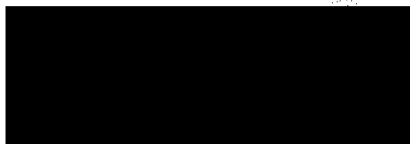
in the presence of:

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:



Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

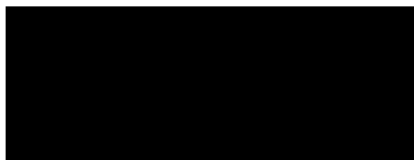
BASS REAL ESTATE NO.15 LIMITED

on being signed by a director

..... Martin Cudlipp  
in the presence of:

)  
)  
)  
)  
)

Director



Name of witness:

FRANCESCA RENAULT

Signature of witness:



Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by


BASS REAL ESTATE NO.16 LIMITED

on being signed by a director

..... Martin Cudlipp  
in the presence of:

)  
)  
)  
)  
)

Director



Name of witness:

FRANCESCA RENAULT

Signature of witness:



Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.17 LIMITED

on being signed by a director

..... Martin Cudlipp  
in the presence of:

)  
)  
)  
)  
)

Director

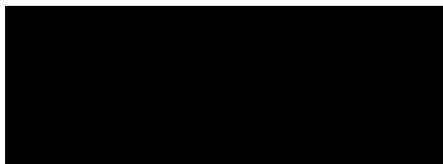


Name of witness:

FRANCESCA RENAULT



Signature of witness:



Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

Executed as a deed by

BASS REAL ESTATE NO.18 LIMITED

on being signed by a director

in the presence of:

Martin Cudlipp

Director

Name of witness:

FRANCESCA RENAULT

Signature of witness:



Address:

PO Box 1075  
Elizabeth House  
9 Castle Street  
St Helier, Jersey, JE4 2QP  
Channel Islands

Occupation:

ADMINISTRATOR

THE LENDER

ABBAY NATIONAL TREASURY SERVICES PLC

By:

Address:

Fax:

Attention:

Signature of witness: .....

Address: .....

.....

Occupation: .....

Executed as a deed by )

**BASS REAL ESTATE NO.18 LIMITED** )

on being signed by a director )

..... )

Director

in the presence of: )

Name of witness: .....

Signature of witness: .....

Address: .....

.....

Occupation: .....

#### THE LENDER

#### ABBAY NATIONAL TREASURY SERVICES PLC

By:



Address: Abbey National Treasury Services plc, 301 St Vincent Street, Glasgow, G2 5NF

Fax:

Attention: Fraser McPhail