



**Registration of a Charge**

Company name: **JSV ESTATES LTD**

Company number: **10022829**

Received for Electronic Filing: **25/07/2016**



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**Details of Charge**

Date of creation: **13/07/2016**

Charge code: **1002 2829 0002**

Persons entitled: **CAF BANK LIMITED**

Brief description: **DEBENTURE OVER 69 NORTH ROAD LONDON SW4 0HQ REGISTERED  
AT THE LAND REGISTRY UNDER TITLE NUMBER 265848**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**EMMA ANDERSEN**



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

Company number: 10022829

Charge code: 1002 2829 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th July 2016 and created by JSV ESTATES LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th July 2016 .

Given at Companies House, Cardiff on 26th July 2016

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



**Companies House**



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

# CAF BANK

We hereby certify this  
to be a true copy of  
the original Brachers LLP  
BRACHERS 15 July 2016

*Debenture creating legal mortgages and fixed and  
floating charges*

THIS DEBENTURE is made on the date on which it has been executed and delivered by both parties.

13 July 2016

**BETWEEN:**

- JSV
- (1) **JVS Estates Limited** incorporated and registered in England and Wales with company number 10022829 whose registered office is at 148a Holland Park Avenue London W11 4UE ("the **Chargor**"); and
  - (2) **CAF Bank Limited**, incorporated and registered in England and Wales with company number 01837656 whose registered office is at 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ ("the **Lender**").

IT IS AGREED as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

Terms defined in the Loan Agreement shall, unless otherwise defined in this Debenture, have the same meaning when used in this Debenture.

"Loan Agreement" means the £460,000 (four hundred and sixty thousand pounds) loan agreement between the Chargor and the Lender dated on or around the date of this Debenture.

**1.2 Interpretation**

In this Debenture, unless otherwise specified:

- (A) all headings and titles are inserted for convenience only and are to be ignored in the interpretation of this Debenture; and
- (B) the schedules form part of this Debenture and shall have the same force and effect as if expressly set out in this Debenture, and any reference to this Debenture shall include the schedules.

**2. ADDITIONAL UNDERTAKINGS**

None

**3. EXECUTION AS A DEED**

Each of the parties intends this Debenture to be a deed and confirms that it is executed and delivered as a deed, notwithstanding the fact that any one or more of the parties may only execute it under hand.

**4. THIRD PARTY RIGHTS**

- 4.1 Save as otherwise provided in this Debenture, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture.
- 4.2 Notwithstanding any term of this Debenture, the consent of any person who is not a party is not required to rescind or vary this Debenture at any time.

**5. COUNTERPARTS**

This Debenture may be executed in any number of counterparts, and by the parties to this Debenture on separate counterparts, but will not be effective until each such party has executed at least one counterpart. Each counterpart shall constitute an original of this Deed but all the counterparts will together constitute one and the same instrument.

**6. GOVERNING LAW**

This Debenture is governed by and is to be construed in accordance with English law. Any matter, claim or dispute arising out of or in connection with this Debenture, whether contractual or non-contractual, is to be governed by and determined in accordance with English law.

**7. JURISDICTION**

- 7.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a "Dispute").
- 7.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

IN WITNESS of which this document has been executed as a deed and is delivered on the date on which the last of the parties has executed and delivered this document.

## Schedule 1

### Mortgaged Property

County and District/London Borough

Description of Property

Lambeth

69 North Road London SW4 0HQ registered at the Land  
Registry under title number 265848.

**Schedule 2**

**Tangible Moveable Property**

**Description of chattels**

None.



## Schedule 3

### Terms and conditions

#### 1. DEFINITIONS AND INTERPRETATION

##### 1.1 Definitions

Terms defined in the Loan Agreement shall, unless otherwise defined in these Conditions, have the same meaning when used in this Debenture and in addition:

**"Account Bank"** means the financial institution with which an Account is opened or maintained.

**"Accounts"** means all bank accounts opened or maintained or by an Obligor with the Lender or any other financial institution, including all credit balances and the debts represented by those credit balances from time to time on such accounts, accrued but unpaid interest and all Related Rights.

**"Additional Permitted Security"** means any mortgage, charge, pledge, lien, encumbrance or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect specified as "Additional Permitted Security" in the Key Commercial Terms Letter (as defined in the Loan Agreement).

**"Additional Undertakings"** means any undertakings specified in Clause 3 (*Additional undertakings*).

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

**"Charged Property"** means:

- (A) the Mortgaged Property; and
- (B) all other Real Property in which the Chargor has an interest (including any right to acquire or right of use or occupation) from time to time.

**"Chargor"** means the party defined as the "Chargor" in the Debenture.

**"Conditions"** means the Terms and Conditions in this Schedule 3 (*Terms and conditions*).

**"Costs and Expenses"** means costs, charges, losses, liabilities, expenses and other sums (including legal, accountants' and other professional fees) and any Taxes thereon.

**"Default"** means any event or circumstance specified in Condition 14 (*Events of Default*) of the Loan Agreement which would (with the expiry of a grace period, the giving

of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

**"Delegate"** means a delegate or sub-delegate appointed pursuant to Condition 21.2 (*Delegation*).

**"Derived Assets"** means any shares, stock or other assets which accrue or are offered, issued, paid or distributed at any time (by way of bonus, rights issue, redemption, reduction, conversion, exchange, substitution, consolidation, subdivision, preference, warrant, option, purchase, dividend or otherwise) in respect of any Investments.

**"Dissolution"** includes, in relation to any person, any corporate action, legal proceedings or other procedure or step taken in relation to:

- (A) the suspension of payments, a moratorium of any indebtedness, winding up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);
- (B) any composition, compromise, assignment or arrangement with any of its creditors;
- (C) the appointment of any liquidator, receiver, administrative receiver, compulsory manager or other similar officer in respect of it or any of its assets; or
- (D) the enforcement of any security interest over any of its assets,

or any analogous procedure or step taken in any jurisdiction.

**"Event of Default"** means any event or circumstance specified as such in the Loan Agreement.

**"Finance Documents"** means:

- (A) the Loan Agreement;
- (B) the Security Documents; and
- (C) such other which may be designated as "Finance Documents" by the parties to the Loan Agreement from time to time.

**"Insurance Policy"** means any policy of insurance, reinsurance or indemnity in which an Obligor may from

time to time have an interest (to the extent of its interest) together with all Related Rights.

**"Insurance Rights"** means all amounts payable to an Obligor under or in connection with an Insurance Policy and all rights of an Obligor in connection with those amounts.

**"Intellectual Property Rights"** means all rights in know-how, patents, designs, utility models, copyrights, trademarks, service marks, trade and business names or signs, domain names, topographical or similar rights, any data base or know-how or any confidential information anywhere in, and any other associated or similar (in nature or effect) rights anywhere in the world, whether registered or not, and including all applications for registration of any of them and rights to apply for them in any part of the world and all rights (including by way of licence) in, and other rights to use, any of them, and in each case, together with all Related Rights.

**"Investments"** means:

- (A) any equity securities including shares and stock;
- (B) any debt securities and other forms of instrument giving rise to or acknowledging indebtedness including bonds, notes, certificates of deposit, depositary receipts, loan stock and debenture stock;
- (C) all interests in collective investment schemes; or
- (D) all warrants, options and other rights to subscribe, purchase, call for delivery or otherwise acquire any investments of a type described in the foregoing paragraphs,

and includes the Chargor's rights in or in respect of and claims relating to Investments of a type specified in (A) to (D) above (and whether or not on a fungible basis), including any rights of claims against any trustee, nominee, depositary, intermediary, fiduciary, custodian or clearance of settlement system and all Related Rights.

**"Lender"** means CAF Bank Limited, registered in England and Wales with company number 01837656.

**"Loan Agreement"** means the loan agreement specified in Clause 1.1 (Definitions).

**"Group"** means the Chargor and its Subsidiaries for the time being.

**"LPA 1925"** means the Law of Property Act 1925.

**"Mortgaged Property"** means the Real Property described in Schedule 1 (Mortgaged Property).

**"Permitted Disposals"** has the meaning given to that term in the Loan Agreement.

**"Permitted Security"** means:

- (A) the Transaction Security;
- (B) any netting or set-off arrangement entered into by the Lender in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (C) any lien arising by operation of law and in the ordinary course of trading;
- (D) any security arising under any retention of title, hire purchase or condition of sale arrangement or arrangements having a similar effect in respect of goods supplied to the Chargor in the ordinary course of business;
- (E) security arising over bank accounts held with or documents of title deposited with the Lender under its general conditions of business;
- (F) any security to which the Lender has given its prior written consent; and
- (G) Additional Permitted Security.

**"Real Property"** means freehold, leasehold or other immoveable property together with any buildings and fixtures (including construction work in progress), fittings and fixed plant, machinery and equipment situated on or forming part of any such property and including all Related Rights.

**"Receivables"** means any debts and monetary claims owing to the Chargor including any such claims relating to or derived from any Intellectual Property, any Investments, any Relevant Contracts or any Insurance Policy, in each case together with any proceeds of such debt and monetary claims and all Related Rights.

**"Receiver"** means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

**"Related Rights"** means, in relation to any asset:

- (A) the proceeds of sale or other disposal of any part of that asset;
- (B) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (C) all other assets and rights at any time receivable or distributable in respect of, or in exchange for, that asset;
- (D) the benefit of all rights in respect of or appurtenant to that asset (including, the benefit of all claims, distributions, covenants for title, warranties, guarantees, indemnities and security interests); and

- (E) any moneys and proceeds paid or payable in respect of that asset;

and, to the extent not included in paragraphs (A) to (E) above, in relation to Investments, includes all Derived Assets and all cash dividends, interest and other sums paid or payable in respect of any Investments.

**"Relevant Contracts"** means any contract or agreement to which the Chargor is a party from time to time or in which an Obligor otherwise has an interest, together with all Related Rights.

**"Secured Obligations"** means:

- (A) all present and future obligations and liabilities of the Chargor (whether actual or contingent and whether owed jointly or severally or in any other capacity whatever) which are, or are expressed to be, or may become, due, owing or payable to the Lender under or in connection with any of the Finance Documents or this Debenture (as such documents may be varied, amended, waived, released, novated, supplemented, extended, restated or replaced from time to time, in each case, however fundamentally);
- (B) all costs, charges and expenses incurred by the Lender which are, or are expressed to be, or may become due, owing or payable by the Chargor under or in connection with any Finance Document, including this Debenture; and
- (C) all legal and other costs, charges and expenses which the Lender may incur in enforcing or obtaining or attempting to enforce or obtain, payment of any obligation, liability or money referred to in (A) and (B).

**"Security"** means the security interests constituted or expressed to be constituted in favour of the Lender by or pursuant to this Debenture.

**"Security Assets"** means all the assets which from time to time are the subject of the Security.

**"Security Documents"** means:

- (A) this Debenture, any other documents creating or evidencing the Transaction Security; and
- (B) such other documents as may be designated as "Security Documents" by the parties to the Loan Agreement from time to time.

**"Security Rights"** means all rights of the Lender or any Receiver or Delegate provided by or pursuant to this Debenture or by law in respect of the subject matter of this Debenture.

**"Subsidiary"** means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c),

as a member of another company even if its shares in that other company are registered in the name of (i) another person (or its nominee), whether by way of security or in connection with the taking of security, or (ii) its nominee.

**"Tangible Moveable Property"** means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of the Chargor's stock in trade) in which the Chargor may have an interest from time to time, including but not limited to the chattels referred to in Schedule 2 (*Tangible Moveable Property*), and including all Related Rights.

**"Tax"** includes any present or future tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest in connection with any failure to pay or delay in paying any of the same).

**"Transaction Security"** means the security created under the Security Documents.

## 1.2 Construction of Particular Term

Unless a contrary indication appears, any references in the Debenture to:

- (A) **"assets"** includes properties, revenues and rights of every kind, present, future and contingent and whether tangible or intangible;
- (B) **"authorisation"** or **"consent"** shall be construed as including any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;
- (C) a **"company"** includes any company, corporation or other body corporate, wherever and however incorporated or established;
- (D) **"this Debenture"** is a reference to this Debenture or other agreement or instrument as it may have been amended, supplemented, replaced or novated from time to time and includes a reference to any document which amends, supplements, replaces, novates or is entered into, made or given pursuant to or in accordance with any of the terms of this Debenture or, as the case may be, the relevant deed, agreement or instrument;
- (E) **"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;
- (F) **"law"** includes any present or future common or customary law, principles of equity and any constitution, decree, judgment, decision, legislation, statute, order, ordinance, regulation, bye-law or other legislative measure in any jurisdiction or any present or future official directive, regulation, guideline, request, rule, code of practice, treaty or requirement (in each case, whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the

general practice of a person to whom the directive, regulation, guideline, request, rule, code of practice, treaty or requirement is intended to apply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (G) a **"person"** includes any person, firm, company, government, state or agency of a state, any local or municipal authority, trust or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (H) **"qualified person"** means a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of any company with respect to which he is appointed or an administrative receiver of any such company;
- (I) **"rights"** includes all rights, title, benefits, powers, privileges, interests, claims, authorities, discretions, remedies, liberties, easements, quasi easements and appurtenances (in each case, of every kind, present, future and contingent); and
- (J) **"security"** includes any mortgage, charge, pledge, lien, security assignment, hypothecation or trust arrangement for the purpose of providing security and any other encumbrance or security interest of any kind having the effect of securing any obligation of any person (including the deposit of moneys or property with a person with the intention of affording such person a right of lien, set-off, combination or counter-claim) and any other agreement or any other type of arrangement having a similar effect (including any "flawed-asset" or "hold back" arrangement) and **"security interest"** shall be construed accordingly.

### 1.3 Interpretation of this Debenture

- (A) Unless a contrary indication appears, a reference to any party or person shall be construed as including its and any subsequent successors in title, permitted transferees and permitted assigns, in each case in accordance with their respective interests.
- (B) Unless a contrary indication appears, a reference to a time of day shall be construed as referring to London time.
- (C) The terms "include", "includes" and "including" shall be construed without limitation.
- (D) References in this Debenture to any Clause, Condition or Schedule shall be to a clause, condition or schedule contained in this Debenture unless otherwise stated.
- (E) Clause, Condition and Schedule headings are for ease of reference only and shall be ignored in construing this Debenture.

- (F) Unless a contrary indication appears, references to any provision of any law are to be construed as referring to that provision as it may have been, or may from time to time be, amended or re enacted, and as referring to all bye laws, instruments, orders, decrees, ordinances and regulations for the time being made under or deriving validity from that provision.

- (G) The terms of the other Finance Documents are incorporated in this Debenture to the extent required for any contract for the disposition of an interest in land (as defined in section 2(6) of the Law of Property (Miscellaneous Provisions) Act 1989) contained in this Debenture to be a valid agreement in accordance with section 2(1) of that Act.

- (H) A Default (other than an Event of Default) is **"continuing"** if it has not been remedied or waived and an Event of Default is **"continuing"** if it has not been waived.

### 1.4 Third Party Rights

- (A) Save as otherwise provided in this Debenture, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture.
- (B) Notwithstanding any term of this Debenture, the consent of any person who is not a party is not required to rescind or vary this Debenture at any time.

## 2. PAYMENT OF SECURED OBLIGATIONS

### 2.1 Covenant to Pay

The Chargor shall pay and discharge the Secured Obligations in accordance with the Finance Documents or, if not arising under the Finance Documents, when due, or in the absence of any such express terms, on demand.

### 2.2 Interest on Demands

If the Chargor fails to pay any sum payable by it pursuant to this Debenture on its due date, interest shall accrue on the overdue amount from the due date until the date of actual payment (both before and after judgment) calculated on a daily basis at the rate determined in accordance with Condition 17 of the Loan Agreement.

## 3. LEGAL MORTGAGES, FIXED CHARGES AND FLOATING CHARGES

### 3.1 Legal mortgages and fixed charges

As continuing security for the full and punctual payment, performance and discharge of the Secured Obligations, with full title guarantee and free of any security interest save for Permitted Security, the Chargor charges all of its

right, title and interest from time to time in and to each of the following assets in favour of the Lender:

- (A) the Mortgaged Property, by way of first legal mortgage, and all other Charged Property by way of first fixed charge;
- (B) the Tangible Moveable Property (which is not mortgaged or charged by paragraph (A)) by way of first fixed charge;
- (C) the Investments by way of first fixed charge;
- (D) the Accounts by way of first fixed charge;
- (E) the Insurance Policies and Insurance Rights by way of first fixed charge;
- (F) the Relevant Contracts by way of first fixed charge;
- (G) the Receivables by way of first fixed charge;
- (H) the Intellectual Property by way of first fixed charge; and
- (I) all goodwill and rights in relation to the uncalled capital of the relevant Obligor by way of first fixed charge.

## 3.2 Floating Charge

- (A) As continuing security for the full and punctual payment, performance and discharge of the Secured Obligations, with full title guarantee and free of any security interest save for Permitted Security, the Chargor charges by way of first floating charge all its present and future assets, property, business, undertaking and uncalled capital together with all Related Rights in favour of the Lender.
- (B) The floating charge created by (A) above shall be without prejudice to and shall rank behind all fixed Security but shall rank in priority to any other security interest created by the Chargor after the date of this Debenture.
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this Debenture.

## 4. CRYSTALLISATION BY NOTICE

### 4.1 Crystallisation by Notice

The Lender may at any time by notice in writing to the Company convert the floating charge created by Clause 3.2 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- (A) an Event of Default has occurred; or

- (B) the Lender reasonably considers that any of the Security Assets may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy; or
- (C) the Lender reasonably considers that it is desirable in order to protect the priority of the Security.

### 4.2 Automatic Crystallisation

Notwithstanding Clause 4.1 (*Crystallisation by Notice*) and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted into a fixed charge as regards all the Security Assets subject to the floating charge if:

- (A) the Chargor creates or attempts to create or permits to subsist any security interest (other than Permitted Security) affecting any of the Security Assets; or
- (B) any person levies or attempts to levy and distress, attachment, execution or other process against any of the Security Assets; or
- (C) an administrator is appointed in respect of the Chargor or Dissolution occurs in relation to the Chargor;

in each case, with effect from the instant before such event occurred.

## 5. REPRESENTATIONS AND WARRANTIES

The Chargor represents and warrants to the Lender as follows:

### 5.1 Ownership of Security Assets

The Chargor is the legal and beneficial owner of the Security Assets and has good and marketable title to the Security Assets.

### 5.2 No security

The Security Assets are free from security other than Permitted Security and the security created by this Debenture.

### 5.3 Adverse claims

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

### 5.4 Adverse covenants

There are no covenants, agreements, reservations, conditions, interests or rights which materially adversely affect all or any of the Security Assets.

### 5.5 No breach of laws

There is no breach of Law which materially adversely affects all or any of the Security Assets.

### 5.6 No overriding interests

Nothing has arisen, has been created or is subsisting which would be an overriding interest in all or any of the Security Assets.

### 5.7 Avoidance of security

No security expressed to be created under these legal mortgage and fixed and floating charges is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Chargor or otherwise.

### 5.8 No prohibitions or breaches

There is no prohibition on the Chargor assigning its rights in any of the Security Assets and the entry into this Debenture by the Chargor does not and will not constitute a breach of any policy, agreement, document or on the Chargor or its assets.

### 5.9 Prescribed statement

Any statements set out in clause Error! Reference source not found. (Prescribed statement).

## 6. GENERAL UNDERTAKINGS

### 6.1 Negative Pledge

The Chargor shall not create or permit to subsist any security interest over all or any part of the Security Assets other than Permitted Security.

### 6.2 No Disposal

The Chargor shall not without the prior written consent of the Lender enter into a single transaction or series of transactions (whether related or not) and whether voluntary or involuntary to sell, transfer, assign, lease, licence or otherwise dispose of any interest in a Secured Asset other than Permitted Disposals.

### 6.3 Preservation of Security Assets

(A) The Chargor shall not without the prior written consent of the Lender take or permit any action which is reasonably likely to adversely affect the value or otherwise depreciate, impair or prejudice any Security Asset or the Security Rights or result in a Default.

(B) The Chargor shall keep or cause to be kept all of the Security Assets in good and substantial repair and condition.

(C) The Chargor shall punctually pay, as they become due, all debt and liabilities which by law would have priority over all or any part of the Secured Obligations.

(D) The Chargor shall fix or permit the affixing of any of the Security Assets to any real property which is not itself a Security Asset.

### 6.4 Information and Access

(A) The Chargor shall from time to time on request of the Lender provide the Lender with such information as it may reasonably require about the Chargor's business and affairs, the Security Assets and its compliance with the terms of this Debenture.

(B) The Chargor shall permit the Lender, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable notice to inspect and take copies and extracts from the books, accounts and records of the Chargor and to view the Security Assets.

(C) The Chargor shall promptly notify the Lender of any litigation, arbitration or administrative proceedings commenced, pending or threatened against it or any other event which is reasonably likely to adversely affect the value or otherwise depreciate, impair or prejudice any Secured Asset or the Security Rights or result in an Event of Default.

### 6.5 Compliance with laws

The Chargor shall comply in all respects with all laws to which it is subject where failure to do so would have a material adverse effect on its ability to meet its obligations under the Finance Documents or this Debenture.

### 6.6 Notice of breaches

The Chargor must notify the Lender of any breach of any of the provisions of this Debenture promptly upon becoming aware of its occurrence.

### 6.7 Insurance

(A) The Chargor shall insure and keep insured the Security Assets in accordance with Condition 12.9 of the Loan Agreement.

(B) The Chargor shall, if requested by the Lender, produce to the Lender the policy certificate or cover note relating to any such insurance required by paragraph (A) above.

### 6.8 Insurance premiums

The Chargor shall promptly pay all premiums in respect of each insurance policy and do all other things necessary to keep such policies in full force and effect.

## 6.9 Additional undertakings

The Chargor will comply with any Additional Undertakings.

## 7. REAL PROPERTY

### 7.1 Perfection: Real Property

(A) Immediately upon execution of this Debenture, the Chargor shall deposit with the Lender, as security for the Secured Obligations, all deeds and documents evidencing its title and interest in the Mortgaged Property.

(B) The Chargor consents to an application being made to H.M. Land Registry for each of the following to be entered on the register of the title to the Mortgaged Property registered under the Land Registration Act 2002:

(i) a notice in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [16 JULY 2016] in favour of [CAF BANK LIMITED] referred to in the charged register."; and

(ii) a notice of the Lender's obligation under the Loan Agreement to make further advances to the Chargor (which obligation shall be deemed to be incorporated into this Debenture as if set out in this Debenture.

(C) The Chargor, if so required by the Lender, shall notify the landlord of any leasehold property forming part of the Security Assets, and obtain as soon as possible, written confirmation (in a form satisfactory to the Lender), from each landlord that it consents to the security created or evidenced by this Debenture.

### 7.2 Future Real Property

(A) Each Obligor shall immediately notify the Lender of any contract, conveyance, transfer or other disposition for the acquisition by an Obligor (or its nominee(s)) of any Real Property.

(B) Each Obligor shall, in respect of any estate or interest in Real Property acquired by it after the date of this Debenture:

(i) execute and deliver, or procure that there is executed, and delivered to the Lender, one of the following:

(a) if such estate or interest relates to Real Property in England or Wales, a legal mortgage in the form required by the Lender

which will be supplemental to and on the terms and conditions of this Debenture;

(b) if such estate or interest relates to Real Property outside England and Wales, an instrument appropriate to create a similar security interest in that jurisdiction containing such terms and conditions as the Lender may require,

in each case to secure the payment and discharge of the Secured Obligations (and pending execution of any such security documents the relevant Obligor) shall hold all its estate and interest in the relevant Real Property upon trust for the Lender, as security for the Secured Obligations);

(ii) if title to such estate or interest is (either before or after its acquisition) registered or required to be registered under the Land Registration Act 2002:

(a) notify the Lender of the title number as soon as it is available; and

(b) apply to H.M. Land Registry to enter notices on the register in the manner referred to in Condition 7.1(B) (Perfection: Real Property) or otherwise as required by the Lender; and

(iii) in relation to any leasehold property, notify and obtain confirmation from the landlord in the manner referred to in Condition 7.1(C) (Perfection: Real Property) or otherwise as required by the Lender.

### 7.3 Cautions against first registration and notices

Whether or not title to the Mortgaged Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Chargor's title to the Mortgaged Property, the Chargor shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this Debenture, the 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.

### 7.4 Real property undertakings

#### (A) Repair and maintenance

The Chargor shall repair and keep in good and substantial repair and condition all Real Property at any time forming part of the Security Assets.

#### (B) No alterations

(i) The Chargor shall not, without the prior written consent of the Lender:

(a) pull down or remove the whole or any part of any building forming part of the Mortgaged Property nor permit the same to occur (except for non-structural alterations or other minor alterations); or

(b) make or permit to be made any material alterations to the Mortgaged Property or sever or remove or permit to be severed or removed any of its fixtures or fittings,

provided that the Chargor shall not be required to obtain the prior written consent of the Lender for the carrying out of any works required to maintain and keep the Mortgaged Property in good repair, working order and condition in all material respects (including all necessary and proper repairs, renewals, replacements and improvements).

(ii) The Chargor shall promptly give notice to the Lender if the premises or any material fixtures or fittings forming part of the Mortgaged Property are destroyed or damaged.

*(C) Leases and licences affecting the property*

(i) The Chargor shall not, without the prior written consent of the Lender;

(a) grant, or agree to grant, any licence or tenancy affecting the whole or any part of the Mortgaged Property, or exercise the statutory powers of leasing (or agreeing to lease) or of accepting (or agreeing to accept) surrenders under sections 99 or 100 of the LPA;

(b) in any other way dispose of (or agree to dispose of), accept the surrender of (or agree to accept the surrender of), surrender (or agree to surrender) or create any legal or equitable estate or interest in the whole or any part of the Mortgaged Property;

(c) let any person into occupation of, or share occupation of, the whole or any part of the Mortgaged Property; or

(d) grant any consent or licence under any lease or licence affecting the Mortgaged Property.

(ii) The Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Security Assets is at any time subject;

(a) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or, (if the lessee) on the lessee; and

(b) not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Security Assets becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term.

*(D) No restrictive obligations*

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

*(E) Environmental and planning laws*

The Chargor shall comply with and observe and perform the following in relation to or affecting the Mortgaged Property:

(i) the requirements of all applicable planning and environmental laws;

(ii) any conditions attaching to any planning permissions; and

(iii) any notices or other orders made by any planning, environmental or other public body.

*(F) Compliance with and enforcement of covenants*

The Chargor shall:

(i) observe and perform in all material respects all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject; and

(ii) diligently enforce in all material respects all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same.

*(G) Notices or claims relating to the Mortgaged Property*

The Chargor shall:

(i) give particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a "Notice") that specifically applies to the Mortgaged Property, or to the locality in which it is situated, within fifteen days upon any of its directors or senior managers becoming aware of the relevant Notice; and

(ii) (if the Lender so requires) take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Notice as the Lender may desire.



(H) *Inspection*

The Chargor shall permit the Lender and any Receiver or Delegate to enter on and inspect the Mortgaged Property on reasonable prior notice.

(I) *Real property undertakings: default*

If the Chargor fails to comply with any of the undertakings contained in this Condition 7.4 (*Real Property Undertakings*), the Lender shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may, in the reasonable opinion of the Lender, be required to remedy such failure and all moneys spent by the Lender in doing so shall be reimbursed by the Chargor on demand with interest from the date of payment by the Lender until reimbursement at a rate specified and calculated in accordance with Condition 2.2 (*Interest on Demands*).

## 8. TANGIBLE MOVEABLE PROPERTY

The Chargor shall unless otherwise agreed in writing with the Lender:

- (A) place and maintain on each item of Tangible Moveable Property which is subject to a fixed charge under this Debenture, in a conspicuous place, an identification plaque containing the following notice in the following terms (which shall not be concealed, altered or removed):

"NOTICE OF CHARGE

This [enter details of property] and all additions and ancillary equipment are subject to a fixed charge in favour of the CAF Bank Limited."; and

- (B) if any Tangible Moveable Property is located on leasehold premises) obtain as soon as possible written confirmation from the lessor that it waives absolutely all rights it may have now or at any time in the future over any of that Tangible Moveable Property.

## 9. INVESTMENTS

### 9.1 Perfection: Investments

The Chargor shall, on the date of this Debenture in relation to the Investments:

- (A) deliver to the Lender or to such agent or custodian as it may specify, all certificates, documents of title and other documentary evidence of ownership and transfers duly executed by the Chargor or its nominee with the name of the transferee left blank, or, if the Lender so requires, in favour of the Lender (or the Lender's nominee) together with all other documents the Lender may require to enable the Lender (or its nominee) or any purchaser to be registered as the owner of, or otherwise to obtain legal title to such Investments;

- (B) procure that details of the security created under this Debenture are noted on the relevant register of members and any nominee or custodian holding any Investments is notified of the existence of such security; and

- (C) terminate, with immediate effect, any third party rights save Permitted Security in respect of the Investments or any of them granted pursuant to sections 145 or 146 of the Companies Act 2006.

### 9.2 Future Investments

In relation to Investments acquired after the date of this Debenture (including comprised in any Derived Assets), the Chargor shall promptly notify the Lender and comply with each of the obligations set out in Condition 9.1 (*Perfection: Investments*) within 2 (two) Business Days of the date of acquisition of such Investments or otherwise as required by the Lender.

### 9.3 Undertakings: Investments

- (A) Prior to the occurrence of an Event of Default, the Chargor shall exercise all voting rights in relation to the Investments, provided that the exercise of such rights:

- (i) is not inconsistent with the terms of any Finance Document and this Debenture;
- (ii) does not adversely affect the validity or enforceability of any Finance Documents or this Debenture.

- (B) The Chargor shall:

- (i) promptly pay any amounts which may be due or become due in respect of the Investments;
- (ii) forward copies of all notices, documents and other communications received by it or its nominee in connection with the Investments to the Lender promptly upon receipt; and
- (iii) notify any subsequent chargee or person acquiring any interest whatsoever in the Investments of the existence of the Security.

### 9.4 Role of Lender or nominee

- (A) The Chargor shall at all times remain liable to observe and perform all of the other conditions and obligations relating to the Investments. The Lender shall not be required to perform or fulfill any such conditions or obligations.
- (B) If the investments are at any time registered in the name of the Lender or its nominee, under no circumstances shall the Lender be under any obligation to ensure that any cash dividends, interest or other sums payable or any Derived Assets in respect of the Investments are duly and promptly paid

or received nor to verify whether any amounts received are correct nor to take any action in connection with the taking up of any such rights.

(C) If the Investments are at any time registered in the name of the Lender or its nominee:

(i) the Lender shall execute (or shall procure that its nominee executes) any form of proxy or other document reasonably required by the Chargor in order to enable the Chargor to exercise the voting rights in relation to the Investments in accordance with Condition 9.3(A) (*Undertakings: Investments*); and

(ii) if any other action of the Lender or its nominee is reasonably required to enable the Chargor to exercise any rights or comply with any obligations retained by it in relation to the Investments, on no less than 5 (five) Business Days' notice and at the Chargor's expense, the Lender shall take such action or shall procure that its nominee takes such action to the extent within its or the nominee's sole control.

## 9.5 Default: Investments

If the Chargor defaults on any payment which may be due or become due in respect of the Investments, the Lender may make such payment on behalf of the Chargor, and the Chargor shall reimburse the Lender on demand together with interest from the date of payment by the Lender until reimbursement at the rate specified in and calculated in accordance with Clause 2.2 (*Interest on Demands*).

## 10. ACCOUNTS

### 10.1 Perfection: Accounts

(A) The Chargor shall promptly deliver (or procure the delivery of) the following:

(i) on the date of this Debenture (and, if any change occurs thereafter, on the date of such change), details (including Account Bank name, address and sort code and Account name, number and currency) of each Account to the Lender; and

(ii) if required by the Lender in respect of any Account, a notice of charge of the relevant Account, duly executed and substantially in the form set out in Schedule 4 (*Notices*) to each Account Bank with which such an Account is opened or maintained.

(B) The Chargor shall procure as soon as possible that each notice referred to in (A) above is acknowledged by the recipient substantially in the form set out in Schedule 4 (*Notices*) or otherwise in a form satisfactory to the Lender.

(C) The entry into this Debenture by the Chargor and the Lender shall constitute notice to and acknowledgement (in the form set out in Schedule 4

(*Notices*)) by the Lender of the security created over any Account opened or maintained with the Lender.

### 10.2 Undertakings: Accounts and Receivables

(A) The Chargor shall not at any time deal or factor or discount any of the Receivables (or enter into any agreement to do so) save that the Chargor shall get in and realise the Receivables in a prudent manner and shall pay the proceeds of those Receivables in accordance with the Loan Agreement or as the Lender may require. The proceeds of the Receivables shall be held upon trust by the Chargor for the Lender prior to such payment in.

(B) Prior to the occurrence of an Event of Default, the Chargor may make withdrawals from any of the Accounts.

(C) Except to the extent permitted under paragraph (D) below, the Chargor shall not be entitled or agree or seek to, withdraw or require the repayment of all or any part of any credit balance from time to time from the Accounts until the release of the Security in accordance with Condition 17 (*Release of Security*).

(D) Until an Event of Default occurs, the Chargor shall be entitled to instruct, and in its absolute and uncontrolled discretion the Lender may instruct, an Account Bank to permit the Chargor to withdraw and retain interest on the credit balance paid into the Accounts and the credit balance on the relevant Account.

(E) The Chargor shall not permit or agree to any variation of the rights attaching to any Account or close any Account without the consent of the Lender.

## 11. INSURANCE POLICIES

### 11.1 Perfection: Insurance Policies

(A) The Chargor shall deliver to the Lender on the date of this Debenture (and, if any change occurs thereafter, on the date of such change), details (including type, name of insured and insurer, duration, interest of insured, specified cover and limits, deductibles and key conditions) of each Insurance Policy.

(B) The Chargor shall, if required by the Lender, on the date of this Debenture, deliver (or procure the delivery of) a notice of charge of the relevant Insurance Policy, duly executed and substantially in the form set out in Schedule 4 (*Notices*) or otherwise as required by the Lender, to each relevant counterparty in respect of the relevant Insurance Policy (the "**Charged Insurance Policy**").

(C) The Chargor shall procure as soon as possible that each notice referred to in paragraph (b)(ii) above is acknowledged by the recipient substantially in the form set out in Schedule 4 (*Notices*) or otherwise in a form satisfactory to the Lender.

## 11.2 Undertakings: Insurance Policies

### (A) The Chargor shall:

- (i) keep the Security Assets insured in accordance with Condition 6.7 (Insurance);
- (ii) promptly pay all premiums and other moneys payable under all its Insurance Policies and promptly upon request, produce to the Lender a copy of each policy and evidence (reasonably acceptable to the Lender) of the payment of such sums;
- (iii) subject to Condition 18.3 (Security enforceable – Insurance Policies and Contractual Rights), diligently pursue its rights under each of the Insurance Policies, provided that the exercise of such rights is not inconsistent with the terms of the Finance Documents and this Debenture;
- (iv) subject to Condition 18.3 (Security enforceable – Insurance Policies and Contractual Rights), pay all amounts received under or in connection with any Charged Insurance Policy into a Charged Account pending application in accordance with the Loan Agreement;
- (v) ensure that it does not do, omit to do or permit or suffer to be done or omitted to be done, anything which might render any of its Insurance Policies void, voidable or unenforceable; and
- (vi) if required by the Lender (but subject to the provisions of any lease of the Security Assets), deposit all Insurance Policies relating to the Security Assets with the Lender.

- (B) The Chargor shall not permit or agree to any variation of the rights attaching to any Insurance Policy or terminate any Insurance Policy except in accordance with Condition 6.7 (Insurance).

## 11.3 Default: Insurance Policies

If the Chargor defaults in complying with Condition 11.2 (Undertakings: Insurance Policies), the Lender may effect or renew any Insurance Policy on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all moneys expended by the Lender in doing so shall be reimbursed by the Chargor to the Lender on demand together with interest from the date of payment by the Lender until reimbursement at the rate specified in and calculated in accordance with Condition 2.2 (Interest on Demands).

## 12. RELEVANT CONTRACTS

### 12.1 Perfection: Relevant Contracts

- (A) The Chargor shall deliver to the Lender on the date of this Debenture (and, if any change occurs thereafter, on the date of such change), details of each Relevant

Contract, including date, counterparties, contract title or name and any contract number used by the Chargor.

- (B) The Chargor shall, if required by the Lender, promptly deliver to the Lender (or procure the delivery of) duly executed notices, substantially in the form set out in Schedule 4 (Notices) or otherwise as required by the Lender to each relevant counterparty, in respect of each Relevant Contract.
- (C) The Chargor shall procure as soon as possible that each notice is acknowledged by the relevant recipient substantially in the form set out in Schedule 4 (Notices) or otherwise in a form satisfactory to the Lender.
- (D) The Chargor shall promptly upon the request of the Lender and at the Chargor's own expense enter into such documentation as the Lender may require in its absolute discretion in order to effect full legal assignment of the Relevant Contracts to the Lender.

### 12.2 Undertakings: Relevant Contracts

- (A) The Chargor shall not unless otherwise agreed in writing with the Lender:
- (i) amend, supplement, vary or waive any provision of any Relevant Contract (or agree to do so);
  - (ii) exercise any right to rescind, cancel or terminate a Relevant Contract;
  - (iii) release any counterparty from its obligations under a Relevant Contract;
  - (iv) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute a breach under any Relevant Contract; or
  - (v) novate, transfer or assign any of its rights under any Relevant Contract (save as provided pursuant to this Debenture).
- (B) The Chargor shall, subject to Condition 18.3 (Security enforceable – Insurance Policies and Contractual Rights):
- (i) pay all moneys received under any Relevant Contract into an Account pending application in accordance with the Loan Agreement;
  - (ii) duly perform its obligations and diligently pursue its rights under each of the Relevant Contracts, provided that the exercise of such rights is not inconsistent with the terms of this Debenture and the other Finance Documents.
- (C) The Chargor will provide the Lender as soon as practicable upon receipt, copies of all notices which it

may from time to time receive from any counterparty to any Relevant Contract.

### 13. INTELLECTUAL PROPERTY

#### 13.1 Perfection: Intellectual Property

- (A) The Chargor shall deliver to the Lender on the date of this Debenture (and, if any change occurs thereafter, on the date of such change), details of all Intellectual Property Rights which are material to or required in connection with its business.
- (B) The Chargor shall, if requested by the Lender, execute all such documents and do all acts as the Lender may reasonably require to record the interest of the Lender in any registers relating to any registered Intellectual Property Rights.

#### 13.2 Undertakings: Intellectual Property

The Chargor shall take all such steps and do all such acts as may be necessary to preserve and maintain the subsistence and the validity of any Intellectual Property and shall not use or permit the use of any such Intellectual Property in any way which is reasonably likely adversely to affect the value of such Intellectual Property or result in a Default.

### 14. FURTHER ASSURANCE

#### 14.1 General

The Chargor shall (at its own cost), promptly take all action necessary or desirable to:

- (A) enable the creation of the Security;
- (B) ensure that the Security is and remains valid, legally binding and enforceable;
- (C) perfect, preserve or protect the Security and its priority;
- (D) confer on the Lender security interests over any of its property and assets located in any jurisdiction outside England and Wales equivalent or similar to the Security; and/or
- (E) facilitate the exercise of any and all of the Security Rights and the realisation of the Security Assets,

including the execution of all such mortgages, charges, assignments and other documents, the giving of all such notices, orders, instructions and directions and the making of all such registrations and filings as the Lender or any Receiver or Delegate may consider necessary from time to time. In particular, the Chargor shall promptly make all necessary registrations and filings unless the Lender gives notice to the Chargor that it intends to make such registrations and filings itself.

### 14.2 Consents

The Chargor shall use all reasonable endeavours to obtain as soon as possible (in a form satisfactory to the Lender) any consents necessary to enable each asset to be the subject of the security interest expressed to be created in respect of that asset pursuant to Condition 3 (Legal Mortgages, Fixed Charges and Floating Charge). Immediately upon obtaining any such consent, the relevant asset shall become subject to such security interest and the Chargor shall promptly deliver a copy of each consent to the Lender.

### 14.3 Implied Covenants for Title

The obligations of the Chargor under this Debenture shall be in addition to the covenants for title deemed to be included in this Debenture by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

### 15. POWER OF ATTORNEY

#### 15.1 Appointment

The Chargor appoints as its attorney, irrevocably (within the meaning of section 4 of the Powers of Attorney Act 1971) and by way of security for the performance of its obligations under this Debenture, the Lender and any person nominated in writing by the Lender, severally (with full powers of substitution and delegation), on its behalf and in its name or otherwise and as its act and deed, at such time and in such manner as the attorney may think fit:

- (A) to take any action which it is obliged to take under this Debenture but has not taken; and
- (B) to take any action required to enable the Lender to exercise all or any of the Security Rights,

and the taking of action by the attorney or attorneys shall (as between the attorney and any third party) be conclusive evidence to any third party of its right to take such action.

#### 15.2 Ratification

The Chargor undertakes to ratify and confirm everything that any attorney does or purports to do in the exercise or purported exercise of the power of attorney in Condition 15.1 (Appointment).

### 16. EFFECTIVENESS OF SECURITY

#### 16.1 Continuing Security

- (A) The Security shall remain in full force and effect as continuing security for the Secured Obligations unless and until discharged by the Lender in accordance with Condition 17 (Release of Security).
- (B) No part of the Security will be considered satisfied or discharged by any intermediate payment, discharge

or satisfaction of the whole or any part of the Secured Obligations.

## 16.2 Additional Security

The Security and the Security Rights shall be cumulative, in addition to and independent of every other security which the Lender may at any time hold for the Secured Obligations or any other rights provided by law. No prior security held by the Lender (whether in its capacity as Lender or otherwise) over the whole or any part of the Security Assets shall merge into the Security.

## 16.3 No Prejudice

Without prejudice to any other provision of this Debenture, none of the Security, its priority, the Security Rights nor the liability of the Chargor or any other person for the Secured Obligations shall be prejudiced, reduced, released or otherwise adversely affected by any act, omission, fact or any other thing which but for this Condition 16.3 would or may do so, including:

- (A) any time, waiver or consent granted, or any other indulgence or concession granted to the Chargor or any other person;
- (B) the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor;
- (C) the taking, holding, variation, compromise, exchange, renewal, realisation or release by any person of any rights under or in connection with any security, guarantee, indemnity or any other document including any arrangement or compromise entered into by the Lender with the Chargor or any other person;
- (D) the refusal or failure to take up, hold, perfect or enforce by any person any rights under or in connection with any security, guarantee, indemnity or other document (including, any failure to comply with any formality or other requirement or any failure to realise the full value of any security);
- (E) the existence of any claim, set-off or other right which the Chargor may have at any time against the Lender or any other person;
- (F) the making or absence of any demand for payment or discharge of any Secured Obligations;
- (G) any amalgamation, merger or reconstruction that may be effected by the Lender with any other person, including any reconstruction by the Lender involving the formation of a new company and the transfer of all or any of its assets to that company, or any sale or transfer of the whole or any part of the undertaking and assets of the Lender to any other person;
- (H) any incapacity, lack of power, authority or legal personality of or Dissolution or change in the

members or status of the Chargor or any other person;

- (I) any variation, amendment, waiver, release, novation, supplement, extension or restatement or replacement of any Finance Document, or any other security, guarantee, indemnity or other document, in each case however fundamental and of whatsoever nature;
- (J) any change in the identity of the Lender; or
- (K) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other security, guarantee, indemnity or other document.

## 16.4 Details of Security Assets

The fact that no or incomplete details of any Security Asset are inserted in the Schedules to this Debenture shall not affect the validity or enforceability of the Security.

## 16.5 Immediate recourse

The Chargor waives any right it may have of first requiring the Lender to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Debenture. The waiver applies irrespective of any law or any provision of this Debenture to the contrary.

## 16.6 Deferral of Rights

- (A) Until such time as the Security has been released in accordance with Condition 17 (Release of Security), the Chargor will not exercise any rights which it may have:
  - (i) to claim, rank, prove or vote as a creditor of any other party to any of the Finance Documents;
  - (ii) to receive, claim or have the benefit of any payment, guarantee, indemnity, contribution or security from or on account of any such party (in whole or in part or whether by way of subrogation or otherwise); or
  - (iii) of set-off, combination or counter-claim or in relation to any "flawed-asset" or "hold back" arrangement as against any such party.
- (B) The Chargor shall hold on trust for, and immediately pay or transfer to, the Lender an amount equal to any payment or benefit received by it contrary to (A) above.
- (C) If the Chargor exercises any right of set-off, combination or counter-claim or any rights in relation to any "flawed asset" or "hold back arrangement" contrary to (A)(iii) above, it will immediately pay or transfer to the Lender an amount equal to the amount set-off, combined or counterclaimed.

- (D) The Lender shall apply all amounts received pursuant to (B) and (C) above in accordance with Condition 22 (*Application of Moneys*).

#### 16.7 New Account

At any time after:

- (A) the Lender (acting in its capacity as lender or otherwise) receives or is deemed to have received notice of any subsequent security interest affecting all or any part of the Security Assets or any assignment or transfer of the Security Assets which is prohibited by the terms of this Debenture or the Loan Agreement; or

- (B) the commencement of the Dissolution of the Chargor,

all payments by or on behalf of the Chargor to the Lender (whether in its capacity as lender or otherwise) shall be treated as having been credited to a new account of the Chargor and not, upon the occurrence of any of the circumstances specified in (A) or (B) above, as having been applied in reduction of the Secured Obligations.

#### 16.8 Further Advances

The Security is intended to secure further advances.

### 17. RELEASE OF SECURITY

#### 17.1 Release of Security Assets

If the Lender is satisfied that:

- (A) all Secured Obligations have been unconditionally and irrevocably paid or discharged in full and that the Lender does not have any further liability or obligation under any Finance Document;
- (B) security or a guarantee for the Secured Obligations, in either case, acceptable to the Lender, has been provided in substitution for this Debenture; or
- (C) the Chargor is unconditionally entitled pursuant to any provision of the Finance Document to have any Security Asset released from the Security,

then, subject to Condition 17.2 (*Reinstatement*) and Condition 17.3 (*Retention of Security Assets*), the Lender shall, at the request and cost of the Chargor, take all necessary action to release the Security Assets (or, in the case of (C) above, the relevant Security Assets), from the Security.

#### 17.2 Reinstatement

If the Lender reasonably considers that any payment to, or security or guarantee provided to it is capable of being avoided, reduced or invalidated by virtue of applicable law, notwithstanding any re-assignment or discharge of the Security Assets, the liability of the Chargor under this

Debenture and the Security shall continue as if such amounts had not been paid or as if any such security or guarantee had not been provided.

#### 17.3 Retention of Security Assets

- (A) If the Lender reasonably considers that any payment, security or guarantee provided or to be provided to it (a "**Relevant Transaction**") by any person is capable of being avoided, reduced or invalidated by virtue of applicable law, the Lender shall be entitled to retain and shall not be obliged to release any of the relevant Security Assets until the expiry of the Retention Period in relation to that Relevant Transaction.

- (B) In the event of the Dissolution of such person at any time before the expiry of that Retention Period, the Lender:

- (i) may continue to retain the relevant Security Assets and the Security for a further period expiring on the later of the expiry of the Retention Period and the date on which all proceedings relating to such Dissolution are determined; and

- (ii) shall not be obliged during such period to release any of the relevant Security Assets from the Security.

- (C) For the purpose of this Condition 17.3, "**Retention Period**" means, in relation to any Relevant Transaction, the period which commences on the date when that Relevant Transaction was made or given, and which ends on the date falling one month after the expiration of the maximum period within which that Relevant Transaction can be avoided, reduced or invalidated by virtue of any applicable law.

### 18. ENFORCEMENT

#### 18.1 Timing of Enforcement

The Security shall be enforceable immediately upon and at any time after the occurrence of an Event of Default.

#### 18.2 Enforcement Rights

Upon or after the Security becoming enforceable the Lender may, without notice to the Chargor or prior authorisation from any court enforce all or any part of that Security and exercise all or any of the powers, authorities and discretions conferred by the Finance Documents including this Debenture or otherwise by law on mortgages, chargees and Receivers (whether or not it has appointed a Receiver), in each case at the times, in the manner and on the terms it thinks fit.

#### 18.3 Security enforceable – Insurance Policies and Contractual Rights

Upon or after the Security becoming enforceable:

- (A) the Lender may exercise any of the Chargor's rights under its Insurance Policies and Relevant Contracts; and
- (B) the Chargor shall hold all moneys received under any Insurance Policies or Relevant Contracts on trust for the Lender pending payment to the Lender for application in accordance with Condition 22 (*Application of Moneys*). In relation to the proceeds of any Insurance Policy, the Chargor waives any rights to apply such proceeds to the reinstatement, repair or replacement of the relevant asset,

#### **18.4 Security enforceable – Investments**

Upon or after the Security becoming enforceable:

- (A) the Lender may exercise (or refrain from exercising) any voting rights in respect of the Investments;
- (B) the Chargor shall hold all dividends, interest and other moneys arising from the Investments on trust for the Lender pending payment to the Lender for application in accordance with Condition 22 (*Application of Moneys*);
- (C) the Chargor shall transfer the Investments into the name of such nominee(s) of the Lender as it shall require, and
- (D) the Chargor shall exercise (or refrain from exercising) any other rights conferred on or exercisable by the legal or beneficial owner of the Investments in such manner and on such terms as the Lender may think fit,

#### **18.5 Security enforceable – Accounts and Receivables**

Upon or after the Security becoming enforceable:

- (A) the Chargor shall not be entitled to receive, withdraw or otherwise transfer any amount from any Account; and
- (B) any permission to use amounts withdrawn from any Account (whether pursuant to the Loan Agreement, this Debenture or otherwise) is expressly revoked and the Chargor shall hold such amounts of trust for the Lender together with the proceeds of the Receivables pending payment to the Lender for application in accordance with Condition 22 (*Application of Moneys*).

#### **18.6 Set-off**

Upon or after the Security becoming enforceable, the Lender may (but shall not be obliged to) set off against any obligation of the Chargor due and payable by it to or for the account of the Lender under this Debenture, any moneys held by the Lender for the account of the Chargor at any office of the Lender anywhere and in any currency, whether or not matured. If any such obligation is unliquidated or unascertained, the Lender may set off in

an amount estimated by it in good faith to be amount of that obligation. The Lender may effect such currency exchanges as are appropriate to implement the set-off and any usual charges and all applicable Taxes in relation to such currency exchanges shall be subject to the indemnity in Condition 26.2 (*Enforcement Costs*).

### **19. EXTENSION AND VARIATION OF POWERS CONFERRED BY LAW**

#### **19.1 Extension of Powers**

The powers conferred by section 101 of the LPA as varied and extended by this Debenture shall be deemed to arise (and the Secured Obligations shall be deemed due and payable for that purpose) immediately on execution of this Debenture. Section 109(1) of the LPA 1925 shall not apply to this Debenture.

#### **19.2 Restrictions**

The restrictions contained in Sections 93 and 103 of the LPA 1925 shall not apply to this Debenture or to the exercise by the Lender or any Receiver or Delegate of its right to consolidate all or any of the Security with any other security in existence at any time or to its power of sale.

#### **19.3 Power of Leasing**

- (A) The statutory powers of leasing conferred by sections 99 and 100 of the LPA 1925 may be exercised by the Lender or any Receiver or Delegate at any time on or after the Security becomes enforceable. The Lender and any Receiver or Delegate may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA 1925.
- (B) For the purposes of sections 99 and 100 of the LPA 1925, the expression "mortgagor" shall include any encumbrancer deriving title under the original mortgagor and section 99(18) of the LPA 1925 and section 100(12) of the LPA 1925 shall not apply.

### **20. APPOINTMENT OF RECEIVERS**

#### **20.1 Appointment**

At any time:

- (A) on or after any of the Security becoming enforceable (whether or not the Lender shall have taken possession of the Security Assets); or
- (B) at the written request of the Chargor,

the Lender may, without notice to the Chargor, appoint, one or more qualified persons to be Receiver or Receivers. If the Lender appoints more than one person as Receiver, the Lender may give the relevant persons power to exercise all or any of the powers conferred on



Receivers individually as well as jointly and to the exclusion of the other or others of them.

## 20.2 Scope of appointment

Any Receiver may be appointed either Receiver of all the Security Assets or of such part of the Security Assets as may be specified in the appointment. In the latter case, the rights conferred by Condition 20.4 (*Powers of Receivers*) shall take effect as though every reference in that clause to "rights" were a reference to rights in respect of the specified part of the Security Assets.

## 20.3 Removal

The Lender may, by deed or by instrument in writing signed by any officer or other person authorised for such purpose by it (so far as it is lawfully able and subject to any requirement of the court in the case of an administrative receiver), remove any Receiver appointed by it and may, whenever it deems expedient, appoint any one or more other qualified persons in place of or to act jointly with any other Receiver.

## 20.4 Powers of Receivers

Any Receiver appointed under this Debenture will (subject to any contrary provision specified in his appointment but notwithstanding the Dissolution of the Chargor) have:

- (A) all the rights conferred by the LPA 1925 on mortgagors and on mortgagees in possession and on any receiver appointed under the LPA 1925;
- (B) all the rights of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 as in force at the date of this Debenture (whether or not in force at the date of exercise) and all rights of an administrative receiver as may be added to Schedule 1 of the Insolvency Act 1986 after the date of this Debenture, in either case, whether or not the Receiver is an administrative receiver;
- (C) the right to manage, use and apply all or any of the Security Assets and to exercise (or permit the Chargor or its nominee to exercise) all other rights of an absolute beneficial owner of the Security Assets;
- (D) the right to dispose of or otherwise realise all or any part of the Security Assets in any manner whatsoever (including any fixtures which may be severed and sold separately from the Real Property to which they are affixed);
- (E) the right to redeem or transfer to the Lender any prior security interest over the Security Assets;
- (F) all the rights expressed to be conferred upon the Lender in the Finance Documents; and
- (G) the right to do all lawful things which in the opinion of the Receiver seem to be incidental or conducive to any of the functions, powers, authorities or

discretions conferred on or vested in him, the exercise of the Security Rights or bringing into his hands any assets forming part of, or which when got in would form part of, the Security Assets.

## 20.5 Agent

Any Receiver shall for all purposes be the agent of the Chargor and therefore deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA 1925. The Chargor shall be solely responsible for his contracts, engagements, acts, omissions, defaults and losses and for all liabilities incurred by him and for the payment of his remuneration. No Receiver shall at any time act as, or be deemed to be, agent of the Lender.

## 20.6 Remuneration

Subject to section 36 of the Insolvency Act 1986, the Lender may from time to time fix the remuneration of any Receiver appointed by it (without being limited to the maximum rate specified in section 109(6) of the LPA 1925) and may direct payment of such remuneration out of moneys accruing to him as Receiver, but the Chargor alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver.

## 21. DISCRETION AND DELEGATION

### 21.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Debenture by the Lender or any Receiver may, subject to the terms and conditions of the Loan Agreement, be exercised or made from time to time in its absolute and unfettered discretion without any obligation to give reasons.

### 21.2 Delegation

- (A) Each of the Lender and any Receiver may at any time delegate all or any of the rights conferred on it by this Debenture.
- (B) The delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions as the Lender may think fit.
- (C) Such delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Lender or the Receiver itself or any subsequent delegation or revocation.
- (D) Under no circumstances shall the Lender nor any Receiver or Delegate nor any officer, agent or employee of any of them be liable to the Chargor or any other person as a result of or in connection with any act, default, omission or misconduct on the part of any Delegate.



## 22. APPLICATION OF MONEYS

All moneys arising from the exercise of the powers of enforcement under this Debenture shall (except as may be otherwise required by applicable law) be held by the Lender and any Receiver and (subject to Condition 23 (*Suspense Account*)) applied in the following order of priority (but without prejudice to the right of the Lender to recover any shortfall from the Chargor):

- (A) in or towards payment of all Costs and Expenses of and incidental to the appointment of any Receiver and the exercise of any of his rights including his remuneration and all outgoings paid by him;
- (B) in or towards the payment or discharge of such of the Secured Obligations in such order as the Lender in its absolute discretion may from time to time determine; and
- (C) after all of the Security Assets have been released from the Security in accordance with Condition 17.1 (*Release of Security*), in payment of any surplus to the Chargor or other person entitled to it,

and section 109(8) of the LPA 1925 shall be deemed varied and extended in such respect.

## 23. SUSPENSE ACCOUNT

The Lender may place and retain on a suspense account, for as long as it considers fit, any moneys received, recovered or realised under or in connection with this Debenture to the extent of the Secured Obligations, without any obligation on the part of the Lender to apply such moneys in or towards the discharge of such Secured Obligations.

## 24. PROTECTION OF THIRD PARTIES

### 24.1 Consideration

The receipt of the Lender or any Receiver or Delegate shall be conclusive discharge to a purchaser and any sale or disposal of any of the Security Assets or any acquisition by the Lender or any Receiver or Delegate shall be for such consideration, and made in such manner and on such terms as it thinks fit.

### 24.2 Protection of Purchasers

- (A) No purchaser or other person dealing with the Lender, any Receiver or any Delegate shall be bound to inquire whether the right of the Lender or such Receiver or Delegate to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Lender or such Receiver or Delegate in such dealings.
- (B) All the protections given to purchasers from a mortgagee by sections 104 and 107 of the LPA 1925, and to persons dealing with a receiver in section

42(3) of the Insolvency Act 1986, shall apply equally to any person purchasing from or dealing with the Lender, any Receiver or any Delegate.

## 25. NO LIABILITY

Neither the Lender nor any Receiver or Delegate nor any officer, agent or employee of any of them will in any circumstances (whether by reason of taking possession of the Security Assets or for any other reason whatsoever):

- (A) be liable to account to the Chargor or any other person for anything; or
- (B) be liable to the Chargor or any other person as a result of or in connection with:
  - (i) taking any action permitted by this Debenture;
  - (ii) any neglect, default or omission in relation to the Security Assets; or
  - (iii) taking possession of or realising all or any part of the Security Assets.

except in each case, to the extent directly caused by fraud or wilful default or gross negligence on its part.

## 26. COSTS AND EXPENSES

### 26.1 Transaction and administration expenses

The Chargor shall indemnify the Lender on demand against all Costs and Expenses expended, paid, incurred or debited on account by the Lender in connection with:

- (A) the negotiation, preparation, execution, stamping, filing, registration and perfection of this Debenture and any other document referred to in this Debenture;
- (B) any waiver, consent or authorisation sought by the Chargor in relation to this Debenture and any other document referred to in this Debenture;
- (C) any variation, amendment, extension or modification of, or supplement to, this Debenture and any other document referred to in this Debenture; and
- (D) the taking, holding, administration or release of any Security or the exercise of any Security Rights.

### 26.2 Enforcement costs

- (A) The Chargor shall indemnify the Lender and every Receiver, Delegate or other person appointed by the Lender under this Debenture (each an "**Indemnified Party**") on demand against all Costs and Expenses expended, paid, incurred or debited on account by any Indemnified Party in connection with:

- (i) enforcing, protecting, preserving or realising, or attempting to enforce, protect, preserve or realise, the rights vested in any Indemnified Party by this Debenture and any other document referred to in this Debenture or by law; and
- (ii) any default by the Chargor in the performance of any of the obligations expressed to be assumed by it under the Finance Documents and this Debenture.

(B) The Lender may indemnify itself out of the Security Assets in respect of, and pay and retain all sums necessary to give effect to the indemnity in this Condition 26.2.

## 27. STAMP TAXES

The Chargor shall pay promptly, and in any event before any penalty becomes payable, all stamp, registration, documentary and similar Taxes, if any, payable in connection with the entry into, performance, enforcement or admissibility in evidence of this Debenture and any other document referred to in this Debenture, and shall indemnify the Lender on demand against any Costs and Expenses with respect to, or resulting from any delay in paying or omission to pay, any such Tax.

## 28. PAYMENTS FREE OF DEDUCTION

All payments to be made to the Lender under this Debenture shall be made free and clear of and without deduction for or on account of Tax unless the Chargor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Chargor shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to Tax such deduction or withholding has been made, receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

## 29. CERTIFICATES AND DETERMINATIONS

For all purposes, including any legal proceedings, a determination by the Lender or a copy of a certificate signed by an officer of the Lender, of the amount of any indebtedness comprised in the Secured Obligations or the amount standing to the credit of any Account for the time being or at any time shall, in the absence of manifest error, be conclusive evidence against the Chargor as to such amount.

## 30. ASSIGNMENT

### 30.1 Assignment by the Lender

The Lender may at any time, without the consent of the Chargor, assign or transfer any of its rights and obligations under this Debenture to any person to whom its rights and

obligations under the Loan Agreement may be assigned or transferred.

### 30.2 Assignment by the Chargor

The Chargor shall not assign or transfer, or attempt to assign or transfer, any of its rights or obligations under this Debenture.

## 31. AMENDMENTS

This Debenture may not be amended, modified or waived in any respect, without the prior written consent of the Lender given with express reference to this Condition 31.

## 32. NOTICES

### 32.1 Communications in writing

Any communication to be made under or in connection with this Debenture shall be in writing and, unless otherwise stated, may be made by fax or letter.

### 32.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party to this Debenture for any communication or document to be made or delivered under or in connection with this Debenture is that identified with its signature below or any substitute address, fax number or department or officer as the party may notify to the other parties by not less than five Business Days' notice.

### 32.3 Delivery

(A) Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Condition 32.2 (Addresses), if addressed to that department or officer.

(B) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

### 33. REMEDIES AND WAIVERS

No delay or omission on the part of the Lender in exercising any right provided by law or under this Debenture shall impair, affect or operate as a waiver of that or any other right. The single or partial exercise by the Lender of any right shall not unless otherwise expressly stated preclude or prejudice any other or further exercise of that, or the exercise of any other, right. The rights of the Lender under this Debenture are in addition to and do not affect any other rights available to it by law.

### 34. PARTIAL INVALIDITY

34.1 If at any time any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither:

- (A) the legality, validity or enforceability of the remaining provisions under the law of that jurisdiction or any other jurisdiction; nor
- (B) the legality, validity or enforceability of such provision under the law of any other jurisdiction,

will in any way be affected or impaired.

34.2 The parties shall enter into good faith negotiations, but without any liability whatsoever in the event of no agreement being reached, to replace any illegal, invalid or unenforceable provision with a view to obtaining the same commercial effect as this Debenture would have had if such provision had been legal, valid and enforceable.

### 35. TRUSTS

If any trust intended to arise pursuant to any provision of this Debenture fails or for any reason (including the laws of

any jurisdiction in which any assets, moneys, payments or distributions may be situated) cannot be given effect to, the Chargor will pay to the Lender for application in accordance with Condition 22 (Application of Moneys) an amount equal to the amount (or the value of the relevant assets) intended to be so held on trust for the Lender.

### 36. COUNTERPARTS

This Debenture may be executed in any number of counterparts, and by the parties to this Debenture on separate counterparts, but will not be effective until each such party has executed at least one counterpart. Each counterpart shall constitute an original of this Deed but all the counterparts will together constitute one and the same instrument.

### 37. GOVERNING LAW

This Debenture is governed by and is to be construed in accordance with English law. Any matter, claim or dispute arising out of or in connection with this Debenture, whether contractual or non-contractual, is to be governed by and determined in accordance with English law.

### 38. JURISDICTION

38.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a "Dispute").

38.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

## Schedule 4

### Notices

#### Notice of Charge of Account

To: [Account Bank]  
[Address]

[Date]

Dear Sirs,

#### NOTICE OF CHARGE

We refer to our [describe account e.g. "interest-bearing sterling deposit"] account (number [ ] designated "[insert account name]") with you (the "**Account**").

We give you notice that, we have charged by way of fixed charge to [Lender], all our rights under or in respect of the Account including all credit balances on the Account from time to time.

We hereby instruct and authorise you as follows (notwithstanding any previous instructions to the contrary):

- (a) to disclose to the Lender any information relating to the Account required by it from time to time;
- (b) to comply with the terms of any written instructions (including any requests for payment from the Account) received by you from the Lender from time to time (although pending receipt of any such instructions, you should continue to deal with us in relation to all matters relating to the Account);
- (c) not to act upon our instructions with regard to the Account unless the Lender confirms those instructions to you in writing; and
- (d) to hold all amounts standing to the credit of the Account to the order of the Lender.

The instructions and authorisations which are contained in this notice shall remain in full force and effect until the Lender gives you notice in writing revoking them.

You may comply with the instructions in this notice without any further permission from us and without any enquiry by you as to the justification for or validity of any request, notice or instruction. In the event of any conflict between communications received from us and from the Lender, you shall treat the communication from the Lender as prevailing over the communication from us.

This notice is governed by English law.

Please acknowledge receipt of this notice and confirm your agreement to it, by executing and returning an original copy of the Form of Acknowledgement attached to this notice to the Lender at [address] with a copy to us.

Yours faithfully,

.....  
For and on behalf of  
[the Chargor]

Form of Letter from Lender to Account Bank

To: [Account Bank]  
[Address]

[Date]

Dear Sirs,

**PAYMENT INSTRUCTIONS FOR ACCOUNT No. [ ]**

We refer to [the Chargor's] [describe account e.g. "interest-bearing sterling deposit"] account (number [ ] designated "[insert account name]") with you (the "Account") and the notice of charge of the Account dated [ ] to you from [Chargor] (the "Notice"). Words and expressions defined in the Notice shall have the same meanings in this letter.

We hereby instruct and authorise you (subject always to our absolute discretion to withdraw such instruction and authorisation at any time) to accept instructions in relation to the Account from [Chargor] to the extent specified below:

- (A) to debit any amounts from the Account for credit to [specify accounts];
- (B) to debit the following amounts from the Account for payment to third parties or otherwise as the [Chargor] shall direct:
  - (i) any amounts representing the interest on the credit balance paid into the Account from time to time;
  - (ii) any amount by which, at the time of withdrawal, the credit balance on the Account exceeds [£][ ];
  - (iii) an amount not in excess of [£][ ] no more frequently than [every [ ] [weeks/months]].

The instructions and authorisations which are contained in this letter shall remain in full force and effect until we give you notice in writing revoking them.

This letter is governed by English law.

Please acknowledge receipt of this letter and confirm your agreement to it, by executing and returning an original copy of the Form of Acknowledgment attached to the Notice to us at [address] with a copy to [Chargor].

.....  
For and on behalf of  
[Lender]

c.c. [Chargor]

### Form of Acknowledgment of Charge of Account

To: [Lender]  
[Address]  
("the Lender")

[Date]

Dear Sirs,

#### ACKNOWLEDGEMENT OF NOTICE OF CHARGE

We acknowledge receipt of a notice dated [ ] (the "Notice") [and of payment instructions dated in relation to the Account (the "Payment Instructions")] (copies of which are attached to this letter). Words and expressions defined in the Notice shall have the same meanings in this letter.

At the request of the Lender, we confirm that:

- (a) we accept the instructions and authorisations in the Notice and the Payment Instructions and undertake to act in accordance with their terms;
- (b) we shall not release payments or permit withdrawals from the Account save as specified in writing by the Lender;
- (c) we have not received notice of any previous assignment, charge, trust, claim or other third party interest or action affecting the Account and if, we receive any such notice, we shall immediately notify the Lender;
- (d) we have not claimed or exercised any rights of counter-claim, set-off or combination of accounts or other equities in respect of the Account, no such rights or equities have arisen in our favour and we shall not assert or seek to exercise any such rights or equities in the future without the prior written consent of the Lender;
- (e) we will not amend or vary any rights attaching to the Account without the prior consent of the Lender.

This letter is for the benefit of the Lender and is governed by English law.

Yours faithfully,

Signed for and on behalf of  
[Name of Account Bank]

by -----  
(Print Name):

c.c. [Chargor]

## Notice of Charge of Insurance Policy

To: [Insurer]  
[Address]

[Date]

Dear Sirs,

### NOTICE OF CHARGE

Policy number [ ] (the "Policy")

We give you notice that we have charged in favour of CAF Bank Limited (the "Lender") all rights in relation to the Policy, including all amounts payable to us under or in respect of the Policy and all our present and future rights to such amounts.

We also give you notice that we have undertaken to the Lender not to agree to any variation of the rights attaching to or termination of the Policy without the prior written consent of the Lender.

We hereby instruct and authorise you as follows (notwithstanding any prior instructions to the contrary):

- (C) to disclose to the Lender any information relating to the Policy required by it from time to time;
- (D) to place an endorsement on the Policy (and all renewals of the Policy) naming the Lender as co-insured and first priority chargee in respect of our rights under or in connection with the Policy and the proceeds of all claims;
- (E) to pay all amounts payable to us under or in connection with the Policy, to the following bank account.

Account Bank: [name and address of Account Bank]

Account Name: [ ]

Account Number: [ ];

- (e) pending payment or release of any amounts payable to us under or in connection with the Policy as specified above, to hold all such amounts to the order of the Lender;
- (f) to agree with the Lender (to the exclusion of us) any variation of the rights attached to or termination of the Policy;
- (g) to comply with any written instruction received by you from the Lender in relation to the Policy from time (although save as expressly specified above, pending receipt of any such instructions, you should continue to deal with us in relation to all matters relating to the Policy);
- (h) to endorse a copy of this notice and your acknowledgement on the Policy (and any renewals of the Policy).

The instructions in this notice shall remain in full force and effect until the Lender gives you notice in writing revoking them.

You may comply with the instructions in this notice without any further permission from us and without any enquiry by you as to the justification for or validity of any instruction. In the event of any conflict between communications received from us and from the Lender, you shall treat the communication from the Lender as prevailing over the communication from us.

Please confirm your agreement to the contents of this notice by executing and returning an original copy of the Form of Acknowledgement attached to this notice to the Lender at [address] with a copy to us.

This letter is governed by English law.

Yours faithfully,

.....  
For and on behalf of  
[the Chargor]

c.c. [Lender]



### Acknowledgment of Charge of Insurance Policy

To: [Lender]  
[Address]  
(the "Lender")

[Date]

Dear Sirs,

### ACKNOWLEDGEMENT OF NOTICE OF CHARGE

We acknowledge receipt of a notice dated [ ] (the "Notice") (a copy of which is attached to this letter). Words and expressions defined in the Notice shall have the same meanings in this letter.

At the request of the Lender and [Chargor], we confirm that:

- (F) we accept the instructions and authorisations in the Notice and undertake to act in accordance with its terms;
- (G) we have not received notice of any previous assignment, charge, trust, claim or other third party interest or action affecting the Policy and if, we receive any such notice, we shall immediately notify the Lender;
- (H) no circumstances exist which would entitle us to exercise any right of set-off or otherwise make any claim or counterclaim under or terminate the Policy, and we shall not assert or seek to exercise any such rights against the [Chargor] without the prior written consent of the Lender;
- (I) we will not cancel or otherwise allow the Policy to lapse or amend or vary the terms of the Policy without giving the Lender at least [10] days' notice.

We further acknowledge that under no circumstances shall the Lender be liable for any premiums or other payments in respect of the Policy nor shall the Policy be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

This letter is for the benefit of the Lender and is governed by English law.

Yours faithfully,

Signed for and on behalf of  
[Name of Broker/Underwriter/Insurer]

by -----  
(Print Name):

c.c. [Chargor]

## Notice of assignment of Relevant Agreement

[NAME OF COUNTERPARTY]

[ADDRESS]

[DATE]

Dear Sirs,

### **Security assignment ("Assignment") date [DATE OF DEBENTURE] between [Chargor] and CAF Bank Limited**

We refer to [DESCRIBE AGREEMENT BETWEEN CHARGOR AND COUNTERPARTY] (the "**Contract**").

This letter constitutes notice to you that under the Assignment we have assigned to [Lender] ("**Lender**"), by way of security, all our rights, title and interest and benefit in and to the Contract.

We irrevocably instruct and authorise you to:

- Comply with the terms of any written instructions received by you from the Lender relating to the Contract, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
- Hold all sums from time to time due and payable by you to us under the Contract to the order of the Lender.
- Pay, or release, all monies to which we are entitled under the Contract to the Lender, or to such persons as the Lender may direct.
- Disclose information in relation to the Contract to the Lender on request by the Lender.

Neither the Assignment nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the foregoing, you may continue to deal with us in relation to the Contract until you receive written notice to the contrary from the Lender. Thereafter, we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Lender.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Lender at [ADDRESS OF LENDER], with a copy to us.

This notice, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

.....

[Chargor]

## Acknowledgement of assignment of Relevant Agreement

[On the letterhead of the Counterparty]

[NAME OF LENDER]

[ADDRESS]

[DATE]

Dear Sirs,

### **Security assignment ("Assignment") date [DATE OF DEBENTURE] between [Chargor] and CAF Bank Limited**

We confirm receipt from [Chargor] ("**Chargor**") of a notice ("**Notice**") dated [DATE] of an assignment, by way of security, of all the Chargor's rights under [DESCRIBE AGREEMENT BETWEEN CHARGOR AND COUNTERPARTY] ("**Contract**").

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

- We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.
- There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.
- We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Lender at least 30 days' prior written notice.
- We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.
- The Lender will not in any circumstances have any liability in relation to the Contract.
- The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

This letter, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

.....

[COUNTERPARTY]

c.c. [Chargor]

## SIGNATURES


[INSERT CHARGOR SIGNATURE BLOCK AS APPROVED BY CAF BANK'S SOLICITOR'S DUE DILIGENCE REPORT]

### The Chargor

EXECUTED as a DEED  
(but not delivered until dated)  
by James Verschoyle, a director

in the presence of: 

WITNESS

Signature 

Name

Address

<sup>B</sup>  
Dated: 13 July 2016.

### The Lender

EXECUTED as a DEED  
(but not delivered until dated)  
by **CAF BANK LIMITED**

\_\_\_\_\_

Director

\_\_\_\_\_

Director/Secretary

Address:

Fax:

Attention:

Dated: .....