



Registration of a Charge

Company name: **FLUXUS LEISURE LIMITED**

Company number: **11812240**



X915RW25

Received for Electronic Filing: **19/03/2020**

Details of Charge

Date of creation: **18/03/2020**

Charge code: **1181 2240 0001**

Persons entitled: **LITTLE ROCK HOLDINGS LIMITED**

Brief description: **CONTAINS FIXED CHARGE(S) CONTAINS FLOATING CHARGE(S)
(FLOATING CHARGE COVERS ALL THE PROPERTY AND
UNDERTAKINGS OF THE COMPANY). CONTAINS NEGATIVE PLEDGE.**

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by:

MARK BRISTOW



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11812240

Charge code: 1181 2240 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th March 2020 and created by FLUXUS LEISURE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th March 2020 .

Given at Companies House, Cardiff on 20th March 2020

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED

18 MARCH

2020

FLUXUS LEISURE LIMITED (1)

AND

LITTLE ROCK HOLDINGS LIMITED (2)

DEBENTURE

CONTENTS

1.	DEFINITIONS AND INTERPRETATION	3
2.	COVENANT TO PAY	6
3.	GRANT OF SECURITY	6
4.	LIABILITY OF BORROWER	7
5.	REPRESENTATIONS AND WARRANTIES.....	7
6.	COVENANTS	8
7.	POWERS OF THE LENDER.....	8
8.	ENFORCEMENT.....	8
9.	COSTS AND INDEMNITY.....	8
10.	RELEASE	9
11.	ASSIGNMENT AND TRANSFER	9
12.	FURTHER PROVISIONS	9
13.	NOTICES.....	10
14.	GOVERNING LAW AND JURISDICTION	11
	SCHEDULE 1 – REPRESENTATIONS AND WARRANTIES	12
	SCHEDULE 2 – BORROWERS COVENANTS.....	13
	SCHEDULE 3 – POWERS OF THE LENDER.....	18
	SCHEDULE 4 – ENFORCEMENT	20
	SCHEDULE 5 – FURTHER POWERS OF A RECEIVER.....	24
	SCHEDULE 6 – NOTICE DETAILS.....	27

THIS DEED is made the 18 day of MARCH 2020

BETWEEN

- (1) FLUXUS LEISURE LIMITED registered in England with company number 11812240 whose registered address is Floors 1 & 2 6 Victoria Street, St Albans, Herts, United Kingdom, AL1 3JB] ("**the Borrower**").
- (2) LITTLE ROCK HOLDINGS LIMITED registered in England with company number 11112209 whose registered office is at Floors 1 & 2 6 Victoria Street, St Albans, Herts, United Kingdom, AL1 3JB ("**the Lender**").

NOW THIS DEED WITNESSETH as follows:

1. DEFINITIONS AND INTERPRETATION

1.1. The definitions and rules of interpretation in this clause apply in this debenture:

- 1.1.1. "**Administrator**": an administrator appointed to manage the affairs, business and property of the Borrower pursuant to clause 15 of Schedule 4;
- 1.1.2. "**Book Debts**": all present and future book and other debts and monetary claims due or owing to the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Borrower in relation to any of them
- 1.1.3. "**Business Day**": any day, other than a Saturday or Sunday or English bank holiday;
- 1.1.4. "**Charged Assets**": all the assets, property and undertaking for the time being subject to the security interests created by this debenture (and references to the Charged Assets shall include references to any part of it);
- 1.1.5. "**Costs**": all costs, charges, expenses and liabilities of any kind normally and properly incurred including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on Costs;
- 1.1.6. "**Designated Account**": any account nominated by the Lender as a designated account for the purposes of this debenture;
- 1.1.7. "**Encumbrance**": any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;
- 1.1.8. "**Environment**": all of the air, water and land, including (without limitation) the air within buildings and other natural or man-made structures above or below ground, ground and surface water and surface and sub-surface soil;
- 1.1.9. "**Environmental Law**": all applicable statutes, treaties, regulations, directives or similar measures relating to the pollution or protection of the Environment that affects the Charged Assets;
- 1.1.10. "**Equipment**": all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Borrower, including any part of it and all spare parts, replacements, modifications and additions;

- 1.1.11. **"Event of Default"**: any event of default or termination of a Loan as is defined in the Loan Agreement;
- 1.1.12. **"Finance Documents"** this Deed, the Loan Agreement between Lender and the Borrower, and any other document designated as such by the Lender;
- 1.1.13. **"Financial Collateral"**: shall have the meaning given to that expression in the Financial Collateral Regulations
- 1.1.14. **"Financial Collateral Regulations"**: the Financial Collateral Arrangements (No. 2) Regulations 2003 (*SI 2003/3226*);
- 1.1.15. **"Intellectual Property"**: the Borrower's present and future patents, trademarks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights;
- 1.1.16. **"Investments"**: all present and future stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Borrower, including all rights accruing or incidental to those investments from time to time;
- 1.1.17. **"Loan Agreement(s)"**: the loan agreement between the Lender and the Borrower and all other loan agreements entered into between the Lender and the Borrower after the date of this debenture);
- 1.1.18. **"Properties"**: all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Borrower, or in which the Borrower holds an interest and **"Property"** means any of them;
- 1.1.19. **"Receiver"**: a receiver and/or manager of any or all of the Charged Assets appointed under paragraph 6 of Schedule 4;
- 1.1.20. **"Secured Liabilities"**: all present and future monies, obligations and liabilities owed by the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity in any manner whatsoever including but not limited to, under or in connection with the Finance Documents or this debenture (including, without limitation, those arising under clause 12.3) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities;
- 1.1.21. **"Security Financial Collateral Arrangement"**: shall have the meaning given to that expression in the Financial Collateral Regulations; and
- 1.1.22. **"Security Period"**: the period starting on the date of this debenture and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

1.2. Interpretation: Unless the context otherwise requires, in this debenture:

- 1.2.1. a reference to a statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension

of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this debenture;

- 1.2.2. a reference to one gender includes a reference to the other gender;
 - 1.2.3. words in the singular include the plural and in the plural include the singular;
 - 1.2.4. a reference to a clause or Schedule is to a clause of, or Schedule to, this debenture and references to paragraphs are to paragraphs of the relevant Schedule;
 - 1.2.5. a reference to **this debenture** (or any specified provision of it) or any other document shall be construed as a reference to this debenture, that provision or that document as in force for the time being and as amended or novated from time to time;
 - 1.2.6. a reference to a **person** shall include a reference to an individual, firm, corporation, unincorporated body of persons, or any state or any agency of a person;
 - 1.2.7. a reference to an **amendment** includes a supplement, variation, novation or re-enactment (and **amended** shall be construed accordingly);
 - 1.2.8. a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
 - 1.2.9. a reference to an **authorisation** includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
 - 1.2.10. a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
 - 1.2.11. clause, schedule and paragraph headings shall not affect the interpretation of this debenture.
- 1.3. **Nature of security over real property:** A reference in this debenture to a charge or mortgage of any freehold, leasehold or commonhold property includes:
- 1.3.1. all buildings and fixtures (including trade and tenant's fixtures) which are situated on that property at any time;
 - 1.3.2. the proceeds of the sale of any part of that property; and
 - 1.3.3. the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of that property, and any monies paid or payable in respect of those covenants.
- 1.4. **Law of Property (Miscellaneous Provisions) Act 1989:** For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Finance Documents and of any side letters between any parties in relation to the Finance Documents are incorporated into this debenture.
- 1.5. **Third party rights:** A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this debenture.

- 1.6. **Perpetuity period:** The perpetuity period applicable to all trusts declared by this debenture shall be 80 years.
- 1.7. **Insolvency Act 1986:** Paragraph 14 of Schedule B1 of the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this debenture.
- 1.8. **Schedules:** The schedules form part of this debenture and shall have effect as if set out in full in the body of this debenture. Any reference to this debenture includes the schedules.

2. COVENANT TO PAY

- 2.1. The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

3. GRANT OF SECURITY

- 3.1. **Charging clause:** As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee:

- 3.1.1. charges to the Lender, by way of first fixed charge:

- 3.1.1.1. all Properties acquired by the Borrower in the future;
- 3.1.1.2. all present and future interests of the Borrower in, or over, freehold or leasehold property;
- 3.1.1.3. all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties;
- 3.1.1.4. all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Borrower's business or the use of any Charged Assets, and all rights in connection with them;
- 3.1.1.5. all present and future goodwill and uncalled capital for the time being of the Borrower;
- 3.1.1.6. all the Intellectual Property;
- 3.1.1.7. all the Book Debts;
- 3.1.1.8. all the Investments; and
- 3.1.1.9. all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account);

- 3.1.2. assigns to the Lender, by way of first fixed mortgage, all its rights in any policies of insurances or assurance present or future (including, without limitation, any insurances relating to the Properties or the Equipment;

- 3.1.3. charges to the Lender, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1.1 or 3.1.2;

3.2. **Automatic conversion of floating charge:** The floating charge created by clause 3.1.3 shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Assets if:

3.2.1. the Borrower:

3.2.1.1. creates, or attempts to create, on all or any part of the Charged Assets an Encumbrance without the prior written consent of the Lender or any trust in favour of another person; or

3.2.1.2. disposes, or attempts to dispose of, all or any part of the Charged Assets (other than property that is only subject to the floating charge while it remains uncrystallised which property may be disposed of in the ordinary course of business); or

3.2.2. a receiver is appointed over all or any of the Charged Assets that is subject to the floating charge; or

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

3.2.4. the Lender receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Borrower.

3.3. **Conversion of floating charge by notice:** The Lender may, in its sole discretion, at any time and by written notice to the Borrower, convert the floating charge created under this debenture into a fixed charge as regards any part of the Charged Assets specified by the Lender in that notice.

3.4. **Assets acquired after any floating charge crystallization:** Any asset acquired by the Borrower after any crystallisation of the floating charge created under this debenture which, but for such crystallisation, would be subject to a floating charge shall (unless the Lender confirms in writing to the contrary) be charged to the Lender by way of first fixed charge.

4. **LIABILITY OF BORROWER**

4.1. **Liability not discharged:** The Borrower's liability under this debenture in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

4.1.1. any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground; or

4.1.2. the Lender concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or

4.1.3. any other act or omission, which but for this clause 4.1 might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

4.2. **Immediate recourse:** The Borrower waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this debenture against the Borrower.

5. **REPRESENTATIONS AND WARRANTIES**

5.1. The Borrower represents and warrants to the Lender in the terms set out in Schedule 1. The representations and warranties set out in Schedule 1 are made on the date of this debenture and the

representations and warranties contained in Schedule 1 shall be deemed to be made on each day of the Security Period with reference to the facts and circumstances then existing.

6. **COVENANTS**

- 6.1. The Borrower covenants with the Lender in the terms set out in Schedule 2.

7. **POWERS OF THE LENDER**

- 7.1. The Lender shall have the powers set out in Schedule 3.

8. **ENFORCEMENT**

- 8.1. **Enforcement events:** The security constituted by this debenture shall be immediately enforceable in any of the circumstances set out in paragraph 1 of Schedule 4. The parties to this debenture agree that the provisions of Schedule 4 shall apply to this debenture and shall be binding between them.
- 8.2. **Receiver's powers:** A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in Schedule 5.
- 8.3. **Right of appropriation:** To the extent that the Charged Assets constitutes Financial Collateral and this debenture and the obligations of the Borrower hereunder constitute a Security Financial Collateral Arrangement, the Lender shall have the right, at any time after the security constituted this debenture has become enforceable, to appropriate all or any of those Charged Assets in or towards the payment and/or discharge of the Secured Liabilities in such order as the Lender in its absolute discretion may from time to time determine. The value of any Charged Assets appropriated in accordance with this clause shall be the price of that Charged Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Lender may select (including independent valuation). The Borrower agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

9. **COSTS AND INDEMNITY**

- 9.1. **Costs:** The Borrower shall pay to, or reimburse, the Lender and any Receiver on demand, on a full indemnity basis, all Costs incurred by the Lender and/or any Receiver in relation to:
- 9.1.1. this debenture or the Charged Assets;
- 9.1.2. protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's or Receiver's rights under this debenture;
- 9.1.3. suing for, or recovering, any of the Secured Liabilities,
- (including, without limitation, the Costs of any proceedings in relation to this debenture or the Secured Liabilities), together with interest on any amount due under clause 9.1.2 and clause 9.1.3) at the default rate of interest specified in the Loan Agreement.
- 9.2. **Indemnity:** The Lender and any Receiver, and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Assets in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:
- 9.2.1. the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this debenture;

9.2.2. any matter or thing done, or omitted to be done, in relation to the Charged Assets under those powers; or

9.2.3. any default or delay by the Borrower in performing any of its obligations under this debenture.

10. RELEASE

10.1. Subject to clause 12.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged Assets from the security constituted by this debenture.

11. ASSIGNMENT AND TRANSFER

11.1. **Assignment by Lender:** At any time, without the consent of the Borrower, the Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this debenture to any person having the appropriate skill and experience to act in that capacity.

11.2. **Assignment by Borrower:** The Borrower may not assign any of its rights, or transfer any of its obligations, under this debenture or enter into any transaction which would result in any of those rights or obligations passing to another person.

12. FURTHER PROVISIONS

12.1. **Independent security:** This debenture shall be in addition to, and independent of, every other security or guarantee which the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Charged Assets shall merge in the security created by this debenture.

12.2. **Continuing security:** This debenture shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this debenture in writing.

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

12.3.1. the Lender or its nominee may retain this debenture and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Assets, for such period as the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

12.3.2. the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

12.4. **Rights cumulative:** The rights and powers of the Lender conferred by this debenture are cumulative, may be exercised as often as the Lender considers appropriate, and are in addition to its rights and powers under the general law.

12.5. **Waivers:** Any waiver or variation of any right by the Lender (whether arising under this debenture or under the general law) shall only be effective if it is in writing and signed by the Lender and applies only in

the circumstances for which it was given, and shall not prevent the Lender from subsequently relying on the relevant provision.

- 12.6. **Further exercise of rights:** No act or course of conduct or negotiation by or on behalf of the Lender shall, in any way, preclude the Lender from exercising any right or power under this debenture or constitute a suspension or variation of any such right or power.
- 12.7. **Delay:** No delay or failure to exercise any right or power under this debenture shall operate as a waiver.
- 12.8. **Single or partial exercise:** No single or partial exercise of any right under this debenture shall prevent any other or further exercise of that or any other right.
- 12.9. **Consolidation:** The restriction on the right of consolidation contained in section 93 of the Law of Property Act 1925 shall not apply to this debenture.
- 12.10. **Partial invalidity:** The invalidity, unenforceability or illegality of any provision (or part of a provision) of this debenture under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions.
- 12.11. **Counterparts:** This debenture may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

13. NOTICES

- 13.1. **Service:** Any notice or other communication given under this debenture shall be in writing and shall be served by delivering it personally or by sending it by pre-paid first-class post or by fax to the address or fax number, and for the attention, of the relevant party as set out in Schedule 6, or such other address or fax number as may be notified in writing from time to time by the relevant party to the other party.
- 13.2. **Receipt:** Receipt of any notice given under clause 13.1, shall be deemed to be received;
 - 13.2.1. if delivered personally, at the time of delivery; or
 - 13.2.2. in the case of pre-paid first-class post, 48 hours from the time of posting; or
 - 13.2.3. in the case of a fax, when received in legible form.
- 13.3. **Deemed receipt:** If deemed receipt under clause 13.2 occurs:
 - 13.3.1. before 9:00 am on a Business Day, the notice shall be deemed to have been received at 9:00 am on that day; or
 - 13.3.2. after 5:00 pm on a Business Day, or on a day that is not a Business Day, the notice shall be deemed to have been received at 9:00 am on the next Business Day.
- 13.4. **Proof of service:** In proving service of a notice, it shall be sufficient to prove that the envelope containing such notice was addressed to the address of the relevant party as set out in Schedule 6 (or as otherwise notified by that party under clause 13.1) and delivered either:
 - 13.4.1. to that address; or
 - 13.4.2. into the custody of the postal authorities as a pre-paid recorded delivery first-class letter.

13.5. **E-mails invalid:** Notice given under this debenture shall not be validly served if sent by e-mail.

14. GOVERNING LAW AND JURISDICTION

14.1. This debenture 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.

14.2. The parties to this debenture irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this debenture or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

SCHEDULE 1 – REPRESENTATIONS AND WARRANTIES

1. OWNERSHIP OF CHARGED ASSETS

- 1.1. The Borrower is the legal and beneficial owner of the Charged Assets.

2. NO ENCUMBRANCES

- 2.1. The Charged Assets are free from any Encumbrance other than the Encumbrances created by this debenture.

3. ADVERSE CLAIMS

- 3.1. The Borrower has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in it.

4. ADVERSE COVENANTS

- 4.1. There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, which materially adversely affect the Charged Assets.

5. NO BREACH OF LAWS

- 5.1. There is no breach of any law or regulation which materially adversely affects the Charged Assets.

6. SECURED LIABILITIES

- 6.1. All the Borrower's obligations and liabilities to the Lender and the Lenders under or in connection with the Finance Documents (including all Loan Agreements entered into with the Lender after the date of this debenture) are Secured Liabilities.

7. NO OVERRIDING INTERESTS

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

SCHEDULE 2 – BORROWERS COVENANTS

PART 1 – GENERAL COVENANTS

1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

- 1.1. The Borrower shall not at any time, unless expressly contemplated by the Finance Documents or except with the prior written consent of the Lender:
- 1.1.1. create, purport to create or permit to subsist any Encumbrance on, or in relation to, the Charged Assets other than this debenture; or
 - 1.1.2. sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Assets, except in the ordinary course of business in the case of Charged Assets which is only subject to an uncrystallised floating charge; or
 - 1.1.3. create or grant (or purport to create or grant) any interest in the Charged Assets in favour of a third party.

2. PRESERVATION OF CHARGED ASSETS

- 2.1. The Borrower shall not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Charged Assets or the effectiveness of the security created by this debenture.

3. ENFORCEMENT OF RIGHTS

- 3.1. The Borrower shall use its best endeavours to:
- 3.1.1. procure the prompt observance and performance of the covenants and other obligations imposed on the Borrower's counterparties; and
 - 3.1.2. enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Assets which the Lender may require from time to time.

4. NOTICE OF BREACHES

- 4.1. The Borrower shall promptly on becoming aware of any of the same give the Lender notice in writing of any breach of:
- 4.1.1. any representation or warranty set out in Schedule; and
 - 4.1.2. any covenant set out in this Schedule 2.

5. TITLE DOCUMENTS

- 5.1. The Borrower shall, if requested in writing by the Lender, deposit with the Lender and the Lender shall, be entitled to hold:

- 5.1.1. all deeds and documents of title relating to the Charged Assets which are in the possession or control of the Borrower (if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all such deeds and documents of title); and
- 5.1.2. all deeds and documents of title (if any) relating to the Book Debts as the Lender may specify from time to time.

6. FURTHER ASSURANCE

- 6.1. The Borrower, at its own cost, shall prepare and execute such further legal or other mortgages, charges, assignments of insurance policies or notices of the Lender's interests therein or transfers (containing a power of sale and such other provisions as the Lender may reasonably require) in favour of the Lender, in its absolute discretion, requires from time to time over all or any part of the Charged Assets and give all notices, orders and directions which the Lender may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Charged Assets.

PART 2 – BOOK DEBTS, INSURANCE AND COVENANTS

1. PRESERVATION OF BOOK DEBTS

- 1.1. The Borrower shall not (except as provided by clause 2 of Part 2 of Schedule 2 or with the prior written consent of the Lender) release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

2. REALISING BOOK DEBTS

- 2.1. The Borrower shall:
 - 2.1.1. as an agent for the Lender, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Lender;
 - 2.1.2. not, without the prior written consent of the Lender, withdraw any amounts standing to the credit of any Designated Account; and
 - 2.1.3. if called on so to do by the Lender, execute a legal assignment of the Book Debts to the Lender in such terms as the Lender may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

3. INSURANCE COVENANT

- 3.1. The Borrower has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in it. The Borrower:
 - 3.1.1. shall (if the Lender so requires) produce to, or deposit with, the Lender all the Borrower's insurance policies and the receipts for all premiums and other payments necessary for effecting and keeping up such policies; and
 - 3.1.2. has not done or omitted to do, and shall not do or omit to do, any act or thing that may invalidate or otherwise prejudice the insurance policies.

4. INSURANCE POLICIES PROCEEDS

- 4.1. All sums payable under any of the Borrower's insurance policies at any time (whether or not the security constituted by this debenture has become enforceable) shall:
 - 4.1.1. immediately be paid to the Lender;
 - 4.1.2. if they are not paid directly to the Lender by the insurers, be held by the Borrower as trustee of the same for the benefit of the Lender (and the Borrower shall account for them to the Lender); and
 - 4.1.3. at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or in or towards discharge or reduction of the Secured Liabilities (but subject to paragraph 12 of Schedule 4).

PART 3 – BORROWER'S PROPERTY COVENANTS

1. MAINTENANCE AND INSURANCE

- 1.1. The Borrower shall:
 - 1.1.1. keep all buildings and all fixtures on each Property in good and substantial repair and condition;
 - 1.1.2. insure, and keep insured, those buildings and fixtures with such insurer and against such risks and in such amounts and otherwise on such terms as the Lender may require (and, failing such requirement, in accordance with the practice in respect of items of the same type current amongst prudent businessmen from time to time).

2. CONDUCT OF BUSINESS ON PROPERTIES

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

3. NO RESTRICTIVE OBLIGATIONS

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

4. INSPECTION

- 4.1. The Borrower shall permit the Lender and any Receiver, and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice.

5. PROPERTY INFORMATION

- 5.1. The Borrower shall inform the Lender promptly of any acquisition by the Borrower of, or contract made by the Borrower to acquire, any freehold, leasehold or other interest in any property.

PART 4 – INVESTMENT COVENANTS

1. REGISTRATION OF INVESTMENTS

1.1. The Borrower shall:

1.1.1. terminate with immediate effect all nominations it may have made under sections 145 and 146 of the Companies Act 2006 in respect of any Investments and pending such termination procure that any person so nominated;

1.1.1.1. does not exercise any rights in respect of any Investments without the prior written approval of the Lender; and

1.1.1.2. immediately upon receipt, forward to the Lender all communications or other information received in respect of any Investments for which it has been so nominated.

1.1.2. at the direction of the Lender given at any time, immediately execute and deliver to the Lender all transfers and other documents and do all such things as may be necessary or desirable to register all or any of the Investments in the name of the Lender or its nominee.

1.2. The Borrower shall not during the Security Period exercise any rights under sections 145 and 146 of the Companies Act 2006 to nominate any person in respect of any of the Investments.

2. ADDITIONAL REGISTRATION OBLIGATIONS

2.1. The Borrower shall:

2.1.1. procure all consents, waivers, approvals and permissions which are necessary, under the articles of association of any issuer that is not a public company or otherwise, for the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of this debenture; and

2.1.2. procure the amendment of the share transfer provisions of the articles of association of each issuer that is not a public company in such manner as the Lender may require in order to permit such a transfer.

3. DIVIDENDS AND VOTING RIGHTS POST ENFORCEMENT

3.1. After the security constituted by this debenture has become enforceable:

3.1.1. all dividends and other distributions paid in respect of the Investments and received by the Borrower shall be held on trust for the Lender and immediately paid into a Designated Account or, if received by the Lender, shall be retained by the Lender; and

3.1.2. all dividends and other distributions paid in respect of the Investments and received by the Borrower shall be held on trust for the Lender and immediately paid into a Designated Account or, if received by the Lender, shall be retained by the Lender.

4. CALLS ON INVESTMENTS

- 4.1. The Borrower shall duly and promptly pay all calls, installments and other monies which may be payable from time to time in respect of the Investments. The Borrower acknowledges that the Lender shall not be under any liability in respect of any such calls, installments or other monies.

5. NO ALTERATION OF INVESTMENTS

- 5.1. The Borrower shall not, without the prior written consent of the Lender, amend, or agree to the amendment of, the memorandum or articles of association or any other constitutional documents of any issuer that is not a public company, or the rights or liabilities attaching to any of the Investments.

6. PRESERVATION OF INVESTMENTS

- 6.1. The Borrower shall ensure (insofar as it is able by the exercise of all voting rights, powers of control and other means available to it to do so) that no issuer that is not a public company shall:

- 6.1.1. consolidate or subdivide any of its Investments, or reduce or re-organise its share capital in any way; or
- 6.1.2. issue any new shares or stock; or
- 6.1.3. refuse to register any transfer of any of its Investments which may be lodged for registration by, or on behalf of, the Lender or the Borrower in accordance with this debenture.

SCHEDULE 3 – POWERS OF THE LENDER

1. POWER TO REMEDY

- 1.1. The Lender shall be entitled (but shall not be bound) to remedy a breach at any time by the Borrower of any of its obligations contained in this debenture and the Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose.

2. EXERCISE OF RIGHTS

- 2.1. The rights of the Lender under paragraph 1 of this Schedule 3 are without prejudice to any other rights of the Lender under this debenture. The exercise of those rights shall not make the Lender liable to account as a mortgagee in possession.

3. POWER TO DISPOSE OF CHATTELS

- 3.1. At any time after the security constituted by this debenture has become enforceable, the Lender or any Receiver:

3.1.1. may dispose of any chattels or produce found on any Property as agent for the Borrower; and

3.1.2. without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Borrower against any liability arising from such disposal.

4. LENDER'S SET-OFF RIGHTS

- 4.1. If the Lender has more than one account for the Borrower in its books, the Lender may at any time after:

4.1.1. the security constituted by this debenture has become enforceable; or

4.1.2. the Lender has received notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Assets;

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit (but the Lender shall notify the Borrower of the transfer once made).

5. INDULGENCE

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

6. INVESTMENT: DIVIDENDS AND VOTING RIGHTS PRIOR TO ENFORCEMENT

- 6.1. Until the security constituted by this debenture becomes enforceable:

6.1.1. the Lender shall, on request by the Borrower, release and pay to the Borrower any cash dividends paid in respect of any of the Investments and received by the Lender or its nominee; and

- 6.1.2. the Lender shall, in exercising all voting and other rights and powers of the Lender or its nominee attaching to the Investments, act in accordance with the directions of Borrower from time to time if acting in accordance with those directions would not, in the Lender's opinion, prejudice the Lender's security under this debenture or the value of the Investments, or contravene any agreement between the Lender and the Borrower.

SCHEDULE 4 – ENFORCEMENT

1. ENFORCEMENT EVENTS

- 1.1. This debenture shall be enforceable where an Event of Default occurs and in any such event (whether or not the event is continuing), without prejudice to any other rights of the Lender, the powers of sale under the Law of Property Act 1925 shall immediately be exercisable and the Lender may, in its absolute discretion, enforce all or any part of the security created by this debenture as it sees fit.

2. STATUTORY POWER OF SALE

- 2.1. The statutory powers of sale conferred by the Law of Property Act 1925 shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this debenture, but the Lender shall not exercise such power of sale until the security constituted by this debenture has become enforceable under paragraph 1 of this Schedule 4.

3. EXTENSION OF STATUTORY POWERS

- 3.1. The statutory powers of sale, leasing and accepting surrenders conferred upon mortgagees under the Law of Property Act 1925 and/or by any other statute shall be exercisable by the Lender under this debenture and are extended so as to authorise the Lender, whether in its own name or in that of the Borrower, to grant a lease or agreement to lease, accept surrenders of lease or grant any option of the whole or any part of the freehold and leasehold property of the Borrower with whatever rights relating to other parts of it, containing whatever covenants on the part of the Borrower, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Lender thinks fit.

4. PROTECTION OF THIRD PARTIES

- 4.1. The statutory powers of sale, leasing and accepting surrenders conferred upon mortgagees under the Law of Property Act 1925 and/or by any other statute shall be exercisable by the Lender under this debenture and are extended so as to authorise the Lender, whether in its own name or in that of the Borrower, to grant a lease or agreement to lease, accept surrenders of lease or grant any option of the whole or any part of the freehold and leasehold property of the Borrower with whatever rights relating to other parts of it, containing whatever covenants on the part of the Borrower, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Lender thinks fit:

4.1.1. to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Lender or a Receiver is purporting to exercise has become exercisable; or

4.1.2. to see to the application of any money paid to the Lender or any Receiver.

5. NO LIABILITY AS MORTGAGEE IN POSSESSION

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

6. APPOINTMENT OF RECEIVER

- 6.1. At any time after the security constituted by this debenture has become enforceable, or at the request of the Borrower, the Lender may, without further notice:

6.1.1. appoint under seal or by writing under hand of a duly authorised officer of the Lender, any one or more person or persons to be a receiver, or a receiver and manager, of all or any part of the Charged Assets; and

6.1.2. (subject to section 45 of the Insolvency Act 1986) from time to time, under seal or by writing under hand of a duly authorised officer of the Lender, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Lender specifies to the contrary).

- 6.2. The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the Law of Property Act 1925 and the remuneration of the Receiver shall be a debt secured by this debenture which shall be due and payable immediately upon its being paid by the Lender.

7. POWER OF SALE ADDITIONAL

- 7.1. The powers of sale and appointing a Receiver conferred by this debenture shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the Law of Property Act 1925 or otherwise, and shall be exercisable without the restrictions contained in Sections 103 and 109 of the Law of Property Act 1925 or otherwise.

- 7.2. The power to appoint a Receiver (whether conferred by this debenture or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Charged Assets.

8. AGENT OF BORROWER

- 8.1. Any Receiver appointed by the Lender under this debenture shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him.

9. POWER OF RECEIVER

- 9.1. Any Receiver appointed by the Lender under this debenture shall, in addition to the powers conferred on him by the Law of Property Act 1925 and the Insolvency Act 1986, have the power to do all such acts and things as an absolute owner could do in the management of such of the Charged Assets over which the Receiver is appointed and, in particular, the powers set out in Schedule 5.

10. ORDER OF APPLICATION OF PROCEEDS

- 10.1. All monies from time to time received or recovered by the Lender or a Receiver in connection with the realization of the Charged Assets or the exercise of any enforcement powers conferred by this debenture shall to the extent permitted by law be applied in the following order of priority:

10.1.1. first in paying all unpaid fees, costs and other liability incurred by or on behalf of the Lender (and any Receiver, attorney or agent appointed by it);

10.1.2. second in paying the remuneration of any Receiver (as agreed between the Receiver and the Lender);

10.1.3. third in paying the Lender (on its own behalf and on behalf of all Lenders) in or towards discharge of the Secured Liabilities on a pro rata basis and ranking pari passu as between the Lenders; and

10.1.4. finally in paying any surplus to the Borrower or any other person entitled to it.

11. APPROPRIATION

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

12. SUSPENSE ACCOUNT

12.1. All monies received by the Lender or a Receiver under this debenture may, at the discretion of the Lender or Receiver, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Lender and the Borrower, and may be held in such account for so long as the Lender or Receiver thinks fit.

13. POWER OF ATTORNEY

13.1. By way of security, the Borrower irrevocably appoints the Lender and every Receiver separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things which:

13.1.1. the Borrower is required to execute and do under this debenture, including execute any document required by the Lender under paragraph 6 of Part 1 of Schedule 2; and/or

13.1.2. any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this debenture or by law on the Lender or any Receiver.

14. RATIFICATION OF ACTS OF ATTORNEY

14.1. The Borrower ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in paragraph 13 of this Schedule 4.

15. APPOINTMENT OF AN ADMINISTRATOR

15.1. The Lender may, without notice to the Borrower, appoint any one or more persons to be an administrator of the Borrower pursuant to Paragraph 14 Schedule B1 of the Insolvency Act 1986 if this debenture becomes enforceable.

15.2. Any appointment under this paragraph 15 shall:

15.2.1. be in writing signed by a duly authorised signatory of the Lender; and

15.2.2. take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied.

- 15.3. The Lender may (subject to any necessary approval from the court) end the appointment of an Administrator by notice in writing in accordance with this clause 15 and appoint a replacement for any Administrator whose appointment ends for any reason under that paragraph.

SCHEDULE 5 – FURTHER POWERS OF A RECEIVER

1. POWER TO REPAIR AND DEVELOP PROPERTIES

- 1.1. A Receiver may undertake or complete any works of repair, building or development on the Properties.

2. POWER TO SURRENDER LEASES

- 2.1. A Receiver may grant, or accept surrenders of, any leases or tenancies affecting the Properties on such terms and subject to such conditions as he thinks fit.

3. POWER TO EMPLOY PERSONNEL AND ADVISORS

- 3.1. A Receiver may provide services and employ, or engage, such managers, contractors and other personnel and professional advisors on such terms as he deems expedient.

4. POWER TO MAKE VAT ELECTIONS

- 4.1. A Receiver may make such elections for value added tax purposes as he thinks fit.

5. POWER TO CHARGE FOR REMUNERATION

- 5.1. A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Lender may prescribe or agree with him.

6. POWER TO REALISE CHARGED ASSETS

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

7. POWER TO MANAGE OR RECONSTRUCT THE BORROWER'S BUSINESS

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

8. POWER TO DISPOSE OF CHARGED ASSETS

- 8.1. A Receiver may grant options and licences over all or any part of the Charged Assets, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of the Borrower in respect of which he is appointed in such manner and generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of the Borrower), and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as the Receiver thinks fit and he may promote, or concur in promoting, a company to purchase the property to be sold.

9. POWER TO SELL BOOK DEBTS

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

10. POWER TO MAKE SETTLEMENTS

- 10.1. A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person which he may think expedient.

11. POWER TO IMPROVE THE EQUIPMENT

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

12. POWER TO MAKE CALLS ON BORROWER MEMBERS

- 12.1. A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of the uncalled capital with such and the same powers for that purpose, and for the purpose of enforcing payments of any calls so made, as are conferred by the Articles of Association of the Borrower on its directors in respect of calls authorised to be made by them.

13. POWER TO APPOINT

- 13.1. A Receiver may appoint managers, officers, servants, workmen and agents for the purposes of this Schedule 5 at such salaries, for such periods and on such terms as he may determine.

14. POWER TO INSURE

- 14.1. A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 9, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, such insurance.

15. POWERS UNDER LAW OF PROPERTY ACT 1925

- 15.1. A Receiver may exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed under that act, and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

16. POWER TO BORROW

- 16.1. A Receiver may for any of the purposes authorised by this Schedule 5 raise money by borrowing from the Lender (or from any other person) on the security of all or any of the Charged Assets in respect of which he is appointed on such terms as he shall think fit (including, if the Lender consents, terms under which such security ranks in priority to this debenture).

17. POWER TO REDEEM PRIOR ENCUMBRANCES

- 17.1. A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates. Any accounts so settled and passed shall be conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by him.

18. INCIDENTAL POWERS

- 18.1. A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 5, or which he lawfully may or can do as agent for the Borrower.

19. SCOPE OF POWERS

- 19.1. Any exercise of any of the powers given by this Schedule 5 may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in paragraph 12 of this Schedule 5) or himself.

SCHEDULE 6 – NOTICE DETAILS


The Borrower

FLUXUS LEISURE LIMITED
Floors 1 & 2, 6 Victoria Street, St Albans, AL1 3JB
For the attention of: the Board of Directors
Fax No:


The Lender

LITTLE ROCK HOLDINGS LIMITED
Floors 1 & 2, 6 Victoria Street, St Albans, AL1 3JB
For the attention of: the Board of Directors
Fax No:

EXECUTED AS A DEED BY


COMPANY NAME:	FLUXUS LEISURE LIMITED
SIGNED BY:	MARK BRISTOW
	
A DIRECTOR	

in the presence of:



SIGNATURE OF WITNESS

Name:	SUZANNE JACKSON
Address:	1ST 2ND FLOOR OFFICE 6 VICTORIA STREET AL1 3JB
Occupation:	HEAD OF CUSTOMER SERVICE
Date:	18/03/20

EXECUTED AS A DEED BY

COMPANY NAME:	LITTLE ROCK HOLDINGS LIMITED
SIGNED BY:	JONATHAN LITTLEWOOD
	
A DIRECTOR	

in the presence of:


SIGNATURE OF WITNESS

Name:	Karteeek Patel
Address:	1st & 2nd Floor Offices, 6 Victoria Street, St Albans, Herts, AL1 3JB.
Occupation:	Director
Date:	18/03/20