



Registration of a Charge

Company name: **PM STABLES LTD**

Company number: **12867933**

Received for Electronic Filing: **17/11/2020**



X91147WA

Details of Charge

Date of creation: **13/11/2020**

Charge code: **1286 7933 0001**

Persons entitled: **HAMPSHIRE TRUST BANK PLC**

Brief description: **ALL THAT FREEHOLD INTEREST IN THE LAND AND PROPERTY KNOWN AS HIGH ROCK AND 2A, 2B, 3 AND 4 PENMOEL COTTAGES, WOODCROFT, CHEPSTOW, NP16 7QL AND REGISTERED AT HM LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER GR400683**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

PARIS SMITH LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12867933

Charge code: 1286 7933 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th November 2020 and created by PM STABLES LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th November 2020 .

Given at Companies House, Cardiff on 18th November 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:

13 November

2020

(1) PM STABLES LTD
as Chorgor

-and-

(2) HAMPSHIRE TRUST BANK PLC
as Chargee

LEGAL CHARGE

relating to

HIGH ROCK AND 2A, 2B, 3 AND 4 PENMOEL COTTAGES, WOODCROFT, CHEPSTOW NP16
7QL

Form of charge filed at HM Land Registry under reference MD 1442C

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IMPORTANT NOTICE

This Legal Charge creates legal obligations binding upon you, the Chargor. You are advised not to sign this Legal Charge until you understand and are prepared to accept such obligations. You are advised to seek independent legal advice before accepting those obligations.

In signing this Legal Charge you acknowledge that you have been advised by the Chargee to receive independent legal advice

LAND REGISTRY

LAND REGISTRATION ACT 2002

Administrative Area: GLOUCESTERSHIRE : FOREST OF DEAN
Title Number: GR400683
Property: HIGH ROCK AND 2A, 2B, 3 AND 4 PENMOEL COTTAGES,
WOODCROFT, CHEPSTOW NP16 7QL

THIS DEED is made on 13 NOVEMBER 2020
BETWEEN

- (1) **PM STABLES LTD** incorporated and registered in England and Wales with registered number 12867933 whose registered office is at Godfrey Wilson 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD ("**Chargor**"); and
- (2) **HAMPSHIRE TRUST BANK PLC** registered in England and Wales with company number 01311315 and whose registered office is at 55 Bishopsgate, London EC2N 3AS ("**Chargee**").

IT IS AGREED

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this deed:

- 1.1.1 "**Charged Property**" means all the assets, property and undertaking for the time being subject to any Security created by this deed (and references to the Charged Property shall include references to any part thereof);
- 1.1.2 "**Costs**" means all reasonably incurred costs charges expenses taxes and liabilities of any kind including without limitation costs and damages in connection with litigation, professional fees, disbursements and any VAT thereon which the Chargee or any Receiver may charge or incur;
- 1.1.3 "**Dangerous Substances**" means any radioactive emissions, noise, any natural or artificial substance (whether in the form of a solid, liquid, gas or vapour) the generation, transportation, storage, treatment, use or disposal of which (whether alone or in combination with any other substance) including (without limitation) any controlled, special, hazardous, toxic, radioactive or dangerous substance or waste, gives rise to a risk of causing harm to man or any other living organism or damaging the Environment or public health or welfare;
- 1.1.4 "**Delegate**" means any person appointed by the Chargee or any Receiver under clause 18 and any person appointed as their attorney;

- 1.1.5 **"Environment"** means humans, animals, plants and all other living organisms including ecological systems of which they form part and all, or any of, the following media, namely air (including, without limitation, air within natural or man-made structures, whether above or below ground), water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers), and land (including, without limitation, surface and sub-surface soil) or systems supported by those media;
- 1.1.6 **"Environmental Law"** means all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice, circulars and guidance notes in so far as they relate to or apply to the Environment, the conditions of the work place or the generation, transportation, storage, treatment or disposal of Dangerous Substances;
- 1.1.7 **"Environmental Licence"** means any authorisation, permit or licence necessary under Environmental Law in respect of any of the Charged Property;
- 1.1.8 **"Event of Default"** means a breach or default under the Facility Letter or the occurrence of any other event or circumstance entitling the Chargor to demand repayment of amounts due, owing or incurred under the Facility Letter;
- 1.1.9 **"Facility Letter"** means the facility letter dated 30 September 2020 between the Chargor and the Chargee for the provision of the loan facilities secured by this deed, any terms and conditions incorporated into that facility letter and any agreement or letter amending, supplementing, varying or replacing the same and the expression "Facility Letter" shall (as the context so admits) include all or any one or more of them;
- 1.1.10 **"Insurance Policy"** means each contract or policy of insurance effected or maintained by the Chargor or the Chargee from time to time in respect of the Property pursuant to the Finance Documents;
- 1.1.11 **"LPA 1925"** means the Law of Property Act 1925;
- 1.1.12 **"Planning Acts"** means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning Act 2008, any regulations made pursuant to any of the foregoing and any other legislation of a similar nature;
- 1.1.13 **"Property"** means the freehold or leasehold property (whether registered or unregistered) owned by the Chargor described in Schedule 1;
- 1.1.14 **"Receiver"** means a receiver or a receiver and manager of any or all of the Charged Property and/or as defined in section 29 of the Insolvency Act 1986;
- 1.1.15 **"Rental Income"** means all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property from time to time;
- 1.1.16 **"Secured Liabilities"** means all present and future monies, obligations and liabilities of the Chargor (or any of them) to the Chargee, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity;
- 1.1.17 **"Security"** means 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;

1.1.18 "**Security Period**" means the period starting on the date of this deed and ending on the date on which the Chargee is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding; and

1.1.19 "**VAT**" means value added tax.

1.2 Interpretation

1.2.1 In this deed, unless a contrary indication appears or the context otherwise requires, any reference in this deed to:

- (a) a clause or schedule is to a clause of, or schedule to, this deed;
- (b) a "**person**" shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- (c) one gender shall include a reference to the other genders;
- (d) a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- (e) a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (f) "**this deed**" (or any provision of it) or to any other document referred to in this deed is a reference to this deed, that provision or such other document as amended from time to time;
- (g) any words following the terms "**including**", "**include**", or any similar expression shall be construed as illustrative and shall not limit the words preceding those terms in any way;
- (h) an "**amendment**" includes a novation, re-enactment, supplement or variation (and "**amended**" shall be construed accordingly);
- (i) "**assets**" includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (j) an "**authorisation**" includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (k) 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
- (l) "**Secured Liabilities**" includes obligations and liabilities which would be treated as such but for the liquidation, administration, dissolution or bankruptcy of or similar event affecting the Chargor.

1.2.2 Clause and schedule headings are for convenience only and shall not affect the interpretation of this deed.

- 1.2.3 An obligation in this deed on a party not to do something shall include an obligation not to allow that thing to be done.
- 1.2.4 If two or more persons are included in the expression "Chargor" then the use in this deed of the word "Chargor" shall be deemed to refer to such persons both together and separately and the obligations and liabilities of such persons under this deed shall be joint and several.
- 1.2.5 If the Chargee reasonably considers that an amount paid by the Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation, administration or bankruptcy of the Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.
- 1.2.6 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Letter and any document incorporated in the same and of any side letters between any parties in relation to the Facility Letter are incorporated into this deed.

1.3 Third party rights

A person who is not a party to this deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this deed.

2 COVENANT TO PAY

2.1 Covenant to pay

The Chargor shall, on demand, pay to the Chargee and discharge the Secured Liabilities when they fall due for payment or discharge.

2.2 Default interest

Any amount which is not paid under this deed when due, or which becomes due for payment following the occurrence of an Event of Default, shall bear Interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the Interest Rate from time to time. Interest shall be compounded in accordance with the Facility Letter or otherwise at such intervals as the Chargee reasonably considers appropriate.

3 NATURE OF SECURITY

3.1 General matters

All Security and dispositions created or made by or pursuant to this deed are created or made:

- 3.1.1 in favour of the Chargee;
- 3.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- 3.1.3 as continuing security for payment of the Secured Liabilities.

3.2 Security in respect of the Property

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

- 3.2.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of the Property at any time;
- 3.2.2 the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;

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

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

4 SECURITY

4.1 Legal mortgage and fixed charges

The Chargor charges all of its present and future right, title and interest in and to the following assets:

4.1.1 by way of first legal mortgage, the Property; and

4.1.2 by way of first fixed charge, all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy;

4.1.3 by way of first fixed charge, the Rental Income and the benefit of any guarantee or security in respect of the Rental Income to the extent not effectively assigned under clause 4.2;

4.1.4 by way of first fixed charge, the benefit of all agreements relating to the Charged Property and other documents to which the Chargor is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of the Charged Property or otherwise relating to the Charged Property);

4.1.5 by way of first fixed charge, the goodwill of the business or undertaking (if any) carried on at the Property; and

4.1.6 by way of first fixed charge, all authorisations (statutory or otherwise) held or required in connection with the Chargor's business or the use of any Charged Property, and all rights in connection with them.

4.2 Security assignments

4.2.1 The Chargor assigns to the Chargee absolutely (subject to a proviso for reassignment on irrevocable redemption), all of its present and future right, title and interest in and to:

(a) each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums relating to each Insurance Policy; and

(b) the Rental Income and the benefit of any guarantee or security in respect of the Rental Income; and

(c) any compensation or other payment receivable in respect of the Property.

4.2.2 To the extent that any asset assigned under clause 4.2.1(a) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of each such Insurance Policy.

4.2.3 Nothing in this clause 4.2 shall constitute the Chargee as mortgagee in possession.

5 NOTICE OF ASSIGNMENT AND / OR CHARGE

5.1 Immediately upon execution of this deed and immediately upon the obtaining of any Insurance Policy if after the date of this deed, the Chargor shall give notice to the relevant insurers of the assignment of the Chargor's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) under this deed and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Chargee, in each case in such form as the Chargee may require.

5.2 Immediately upon execution of this deed, the Chargor shall give notice to the bank, financial institution or other person (excluding the Chargee) with whom the Chargor has a bank account (into which the Rental Income is to be paid) of the charging to the Chargee of the Chargor's rights and interests in such bank account and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Chargee, in each case in such form as the Chargee may require.

5.3 Immediately upon the occurrence of an Event of Default or otherwise upon the Chargee's request, the Chargor shall give notice to the relevant tenant, guarantor or surety of the assignment under this deed of the Chargor's rights and interest to the Rental Income and each guarantee or security in respect of the Rental Income and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Chargee, in each case in such form as the Chargee may require.

6 PERFECTION OF SECURITY

6.1 Registration at HM Land Registry

The Chargor applies to the Land Registrar for the following restriction to be registered against its title to the Property:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated _____ in favour of Hampshire Trust Bank plc referred to in the charges register."

6.2 Further advances

This deed shall secure further advances that the Chargee is obliged to make under the terms of the Facility Letter and the parties hereby apply to the Land Registrar for a note to be entered in the register to this effect.

6.3 First registration

If the title to the Property is not registered at HM Land Registry, the Chargor shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of the Property, without the prior written consent of the Chargee.

6.4 Cautions against first registration and notices

Whether or not title to the Property is registered at HM Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Chargor's title to the Property, the Chargor shall immediately provide the Chargee 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 deed, the Chargor shall immediately, and at its own expense, take such steps as the Chargee may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

6.5 The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to this Security.

7 CONTINUING SECURITY

7.1 Continuing security

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

7.2 Independent security

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

8 LIABILITY OF CHARGOR RELATING TO CHARGED PROPERTY

8.1 Liability not discharged

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

- 8.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Chargee that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- 8.1.2 the Chargee renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 8.1.3 any other act or omission that, but for this clause 8.1, might have discharged, or otherwise prejudiced or affected, the liability of the Chargor.

8.2 Immediate recourse

The Chargor waives any right it may have to require the Chargee to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Chargor.

9 REPRESENTATIONS AND WARRANTIES

9.1 Times for making representations and warranties

The Chargor represents and warrants that it is not in breach of any representations or warranties given pursuant to, or connection with, the Facility Letter (and any security granted in connection therewith) and as set out in this clause 9 to the Chargee on the date of this deed, all of which are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

9.2 Ownership of Charged Property

The Chargor is the sole legal and beneficial owner of the Charged Property and has good and marketable title to the Property.

9.3 No Security

The Charged Property is free from any Security and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment or law) other than the Security created by this deed or to which the Chargee has consented.

9.4 No adverse claims

The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Charged Property or any interest in it.

9.5 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever that materially and adversely affect the Charged Property other than ones to which the Chargee has consented.

9.6 No breach of laws

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

9.7 No interference in enjoyment

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

9.8 No overriding interests

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

9.9 No prohibitions or breaches

There is no prohibition on the Chargor assigning its rights in any of the Charged Property referred to in clause 4.2 and the entry into of this deed by the Chargor does not and will not constitute a breach of any policy, agreement, document, instrument or obligation binding on the Chargor or its assets.

9.10 Environmental compliance

The Chargor has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.

9.11 Information

All written information supplied by the Chargor or on its behalf in connection with the Property (including, without limitation, any valuation of it or information as to the occupational arrangements of the Property), was true, accurate and complete in all material respects at its date (if any) or at the date on which it was provided, and nothing has occurred since the date such information was supplied and the date of this deed which is reasonably likely to adversely affect any valuation relied upon by the Chargee in connection with the Facility Letter.

9.12 Avoidance of security

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

9.13 Enforceable security

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

10 GENERAL COVENANTS

10.1 Negative pledge and disposal restrictions

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

10.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Charged Property;

10.1.2 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 Property; or

10.1.3 create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

10.2 Preservation of Charged Property

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

10.3 Compliance with laws and regulations

10.3.1 The Chargor shall not, use or permit the Charged Property to be used in any way contrary to law.

10.3.2 The Chargor shall:

- (a) comply with the requirements of any law or regulation relating to or affecting the Charged Property or the use of it or any part of it;
- (b) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Charged Property or its use or that are necessary to preserve, maintain or renew any Charged Property; and
- (c) promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Charged Property that are required to be made by it under any law or regulation.

10.4 Enforcement of rights

The Chargor shall procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Chargor and forming part of the Charged Property of the covenants and other obligations imposed on such counterparty, and to enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property that the Chargee may reasonably require from time to time.

10.5 Notice of misrepresentations and breaches

The Chargor shall, promptly on becoming aware of any of the same, give the Chargee notice in writing of any representation or warranty set out in this deed that is incorrect or misleading in any material respect when made or deemed to be repeated, and any breach of any covenant set out in this deed.

10.6 Title documents

The Chargor shall, on the execution of this deed, deposit with the Chargee and the Chargee shall, for the duration of this deed, be entitled to hold each Insurance Policy and all deeds and documents of title relating to the Charged Property that are in the possession or control of the Chargor (and if these are not within the possession and/or control of the Chargor, the Chargor undertakes to obtain possession of all such deeds and documents of title).

11 PROPERTY COVENANTS

11.1 Property management

The Chargor shall diligently manage or procure the management of the Property in accordance with the principles of good estate management and promptly notify the Chargee of any material default by any lessee or other occupier of the Property.

11.2 Repair and maintenance

The Chargor shall keep all premises, and fixtures and fittings on the Property, in good and substantial repair and condition (which shall include, without prejudice to the generality of this clause, such repair and condition as to enable the Property to be let in accordance with all applicable laws and regulations) and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use with others of a like nature and equal value.

11.3 No alterations

The Chargor shall not, without the prior written consent of the Chargee (unless permitted specifically by the Facility Letter) make or permit to be made any alterations to the Property (including, without limitation, any demolition of any part of any Property) or sever or remove or permit to be severed or removed any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clauses 11.1 and 11.2). The Chargor shall promptly give notice to the Chargee if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

11.4 Development restrictions

The Chargor shall not, without the prior written consent of the Chargee, make or permit others to make any application for planning permission or development consent in respect of the Property or carry out or permit or suffer to be carried out on the Property any development (as defined in each of the Town and Country Planning Act 1990) or otherwise under or pursuant to the Planning Acts or change or permit or suffer to be changed the use of the Property in any way.

11.5 Planning

The Chargor shall comply in all respects with the Planning Acts and all licences consents, permissions or conditions granted or imposed thereunder and not to enter into, or agree to enter into, any agreement under section 106 of the Town and Country Planning Act 1990 or section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or section 38 of the Highways Act 1980 or any similar Act without the prior written consent of the Chargee.

11.6 Leases and licences affecting the Property

The Chargor shall not, without the prior written consent of the Chargee or unless the same is done by way of letting of the Property within the terms permitted by the Facility Letter:

- 11.6.1 grant any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);
- 11.6.2 in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property);
- 11.6.3 let any person into occupation of or share occupation of the whole or any part of the Property;
or

11.6.4 grant any consent or licence under any lease or licence affecting the Property.

11.7 No restrictive obligations

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

11.8 Proprietary rights

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

11.9 Compliance with and enforcement of covenants

The Chargor shall observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and produce to the Chargee on demand evidence sufficient to satisfy the Chargee acting reasonably that those covenants, stipulations and conditions have been observed and performed. The Chargor shall diligently enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same.

11.10 Notices or claims relating to the Property

The Chargor shall:

11.10.1 give full particulars to the Chargee 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 Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and

11.10.2 (if the Chargee so requires) immediately, and at the cost of the Chargor, take all necessary steps to comply with any Notice, and make, or join with the Chargee in making, any objections or representations in respect of that Notice that the Chargee, acting reasonably, thinks fit.

11.11 Payment of rent and outgoings

The Chargor shall duly and punctually pay (or, where applicable, procure payment of the same) all rents due from time to time in respect of Property held under a lease and all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier.

11.12 Rent reviews

11.12.1 The Chargor shall, if the Property is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Chargee (not to be unreasonably withheld or delayed), agree to any change in rent to less than the open market rental value of the relevant part of the Property.

11.12.2 The Chargor shall not, without the prior written consent of the Chargee (not to be unreasonably withheld or delayed), if the Property is leasehold, agree to any change in the rent payable under the lease in excess of the open market rental value and shall only agree to any upwards rent review in accordance with the terms of the lease.

11.13 Environment

The Chargor shall in respect of the Property comply with all the requirements of Environmental Law and obtain and comply with all Environmental Licences. The Chargor shall, in addition, give full

particulars to the Chargee of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

11.14 Conduct of business on Property

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

11.15 Inspection

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

11.16 VAT option to tax

The Chargor shall not, without the prior written consent of the Chargee, exercise any VAT option to tax in relation to the Property or revoke any VAT option to tax exercised, and disclosed to the Chargee in writing, before the date of this deed.

12 INSURANCE

12.1 Insurance cover

12.1.1 The Chargor shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Charged Property in accordance with the Facility Letter.

13 POWERS OF THE CHARGEES

13.1 Power to remedy

The Chargee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Chargor of any of its obligations contained in this deed and the Chargor irrevocably authorises the Chargee and its agents to do all things that are necessary or desirable for that purpose. Any monies reasonably expended by the Chargee in remedying a breach by the Chargor of its obligations contained in this deed shall be reimbursed by the Chargor to the Chargee and shall carry interest in accordance with clause 20.1. In remedying any breach in accordance with this clause 13.1, the Chargee, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Chargee may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

13.2 Exercise of rights

The rights of the Chargee under clause 13.1 are without prejudice to any other rights of the Chargee under this deed. The exercise of any rights of the Chargee under this deed shall not make the Chargee liable to account as a mortgagee in possession.

13.3 Chargee has Receiver's powers

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

13.4 Conversion of currency

For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Chargee may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 13.4) from their existing currencies of denomination into any other currencies of denomination that the Chargee may consider necessary or desirable at such rate of exchange as the Chargee chooses. Neither the Chargee nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates. No payment to the Chargee (whether under any judgment or court order or otherwise) shall discharge the obligations or liability of the Chargor in respect of which it was made unless and until the Chargee shall have received payment in full in the currency in which such obligations or liabilities was incurred and to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency the Chargee shall have a further separate course of action against the Chargor and shall be entitled to enforce the Security created by this deed to recover the amount of the shortfall.

13.5 New accounts

If the Chargee receives, or is deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Charged Property, the Chargee may open a new account for the Chargor in the Chargee's books. Without prejudice to the Chargee's right to combine accounts, no money paid to the credit of the Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities. If the Chargee does not open a new account immediately on receipt of such notice, or deemed notice, then unless the Chargee gives express written notice to the contrary to the Chargor, all payments made by the Chargor to the Chargee shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Chargee.

13.6 Chargee's set-off rights

If the Chargee has more than one account for the Chargor in its books, the Chargee may at any time after the security constituted by this deed has become enforceable or the Chargee has received, or is deemed to have received, notice of any subsequent Security or other interest affecting all or any part of the Charged Property, transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account that may be in debit. After making any such transfer, the Chargee shall notify the Chargor of that transfer.

13.7 Appropriation

To the extent that the provisions of the Financial Collateral Arrangements (No.2) Regulations 2003, as amended, apply to the Charged Property the Chargee shall have the right to appropriate all or any part of that Charged Property in or towards the payment or discharge of the Secured Liabilities. For this purpose a commercially reasonable method of valuing the Charged Property shall be, in the case of cash on account, the amount standing to the credit of that account together with accrued interest at the time of appropriation.

14 WHEN SECURITY BECOMES ENFORCEABLE

14.1 Enforceable

The security constituted by this deed shall be immediately enforceable if:

- (a) an Event of Default occurs; or

- (b) the Chargee has made demand for repayment of the Loan Amount in accordance with any Facility Letter and this has not been paid.

14.2 Statutory powers

The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable upon and at any time after the execution of this deed, but the Chargee shall not exercise such power of sale or other powers until the security constituted by this deed has become enforceable under clause 14.1.

14.3 Enforcement

After the security has become enforceable, the Chargee may in its absolute discretion enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Charged Property.

14.4 Security cumulative

The Security created by or pursuant to this deed shall be cumulative, in addition to, and independent of every other Security which the Chargee may at any time hold for the Secured Liabilities or any other obligations or any rights powers and remedies provided by law or enactment. No prior Security held by the Chargee over the whole or any part of the Charged Property shall merge into the Security constituted by this deed.

14.5 Security independent

The Security created by or pursuant to this deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person by the Chargee or by any other thing which might otherwise prejudice that Security.

15 ENFORCEMENT OF SECURITY

15.1 General

For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed. Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

15.2 Powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Chargee and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Chargor, to grant a lease or agreement for lease, accept surrenders of leases, or grant any option in respect of the whole or any part of the Property with whatever rights relating to other parts of it, in each case, whether or not at a premium and containing such covenants on the part of the Chargor and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Chargee or Receiver thinks fit, without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

15.3 Redemption of prior Security

At any time after the Security has become enforceable, the Chargee may:

15.3.1 redeem any prior Security against the Charged Property; and/or

15.3.2 procure the transfer of that Security to itself; and/or

15.3.3 settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on the Chargor.

All principal, interest, costs, charges and expenses of, and incidental to, any such redemption and/or transfer shall be paid by the Chargor to the Chargee on demand.

15.4 Protection of third parties

No person (including a purchaser) dealing with the Chargee, any Receiver or Delegate will be concerned to enquire:

15.4.1 whether the Secured Liabilities have become due or payable;

15.4.2 whether any power the Chargee, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or

15.4.3 how any money paid to the Chargee, any Receiver or any Delegate is to be applied.

15.5 Privileges

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

15.6 No liability as mortgagee in possession

Neither the Chargee, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, 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 Property for which a mortgagee in possession might be liable as such.

15.7 Relinquishing possession

If the Chargee, any Receiver or Delegate enters into or takes possession of the Charged Property, it or he may at any time relinquish possession.

15.8 Conclusive discharge to purchasers

The receipt of the Chargee or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property or in making any acquisition in the exercise of their respective powers, the Chargee, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

15.9 Goods and chattels

The Chargee may store and dispose of any goods and chattels of the Chargor not being fixtures forming part of the Property and which are located at the Property on the Chargor's behalf and at the Chargor's cost. The Chargee will do so as agent of the Chargor and shall not be entitled to any proceeds of the sale of the said goods or chattels nor have any security interest in them.

15.10 Powers

The Chargee shall, in addition to its others powers at law or under this Deed, have the rights and powers of a Receiver as set out in Clause 17.2-17.21.

16 RECEIVERS

16.1 Appointment

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

appoint any other person as an additional Receiver or appoint one or more persons to be an administrator of the Chargor.

16.2 Removal

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

16.3 Remuneration

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

16.4 Power of appointment additional to statutory powers

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

16.5 Power of appointment exercisable despite prior appointments

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

16.6 Agent of the Chargor

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

17 POWERS OF RECEIVER

17.1 Powers additional to statutory powers

17.1.1 Any Receiver appointed by the Chargee under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 17.2 to clause 17.21.

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

17.1.3 Any exercise by a Receiver of any of the powers given by clause 17 may be on behalf of the Chargor, the directors of the Chargor or himself.

17.2 Repair and develop the Property

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

17.3 Grant or accept surrenders of leases

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

17.4 Employ personnel and advisers

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

17.5 Make and revoke VAT options to tax

A Receiver may exercise or revoke any VAT option to tax that he thinks fit.

17.6 Charge for remuneration

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

17.7 Realise Charged Property

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

17.8 Manage or reconstruct the Chargor's business

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

17.9 Dispose of Charged Property

A Receiver may grant options and licences over all or any part of the Charged Property, grant any other interest or right over, sell, assign or lease (or concur in granting options and licences over all or any part of the Charged Property, granting any other interest or right over, selling, assigning or leasing) all or any of the Charged Property in respect of which he is appointed for such consideration and in such manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions that he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him.

17.10 Sever fixtures and fittings

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

17.11 Give valid receipts

A Receiver may give valid receipts for all monies and execute all assurances and things that may be proper or desirable for realising any of the Charged Property.

17.12 Make settlements

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

17.13 Bring proceedings

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

17.14 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 20.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Chargor under this deed.

17.15 Powers under LPA 1925

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

17.16 Borrow

A Receiver may, for any of the purposes authorised by this clause 17, raise money by borrowing from the Chargee (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which he is appointed on any terms that he thinks fit (including, if the Chargor consents, terms under which that Security ranks in priority to this deed).

17.17 Redeem prior Security

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

17.18 Delegation

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

17.19 Absolute beneficial owner

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

17.20 Chargee powers

A Receiver may exercise all the rights and powers of the Chargee in respect of the Charged Property.

17.21 Incidental powers

A Receiver may do any other acts and things (including bringing or defending proceedings in the name of or on behalf of the Chargor) that he may consider desirable or necessary for realising any of the Charged Property, or that he may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law, or that he lawfully may or can do as agent for the Chargor.

18 DELEGATION

The Chargee or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 22) upon any the terms and conditions (including the power to sub-delegate) that it thinks fit. Neither the Chargee nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

19 APPLICATION OF PROCEEDS

19.1 Order of application of proceeds

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

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

19.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Chargee determines; and

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

19.2 Appropriation

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

19.3 Suspense account

All monies received by the Chargee, a Receiver or a Delegate under this deed (including the proceeds of any conversion of currency) may, at the discretion of the Chargee, Receiver or Delegate, be credited to any interest bearing suspense or securities realised account maintained with a financial institution (including itself) for so long as it may think fit.

20 COSTS AND INDEMNITY

20.1 Costs

The Chargor shall, promptly on demand, pay to, or reimburse, the Chargee and any Receiver, all of the Costs reasonably incurred, in connection with:

20.1.1 this deed or the Charged Property;

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

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

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

20.2 Indemnity

The Chargor shall indemnify the Chargee, any Receiver and any attorney, agent or other person appointed by the Chargee under this deed and the Chargee's officers and employees (each an "Indemnified Party") on demand against any cost, loss, liability or expense (however arising) reasonably incurred by any Indemnified Party as a result of or in connection with:

- 20.2.1 anything done or omitted in the exercise or purported exercise of the powers contained in this deed;
- 20.2.2 the Charged Property or the use or occupation of it by any person; or
- 20.2.3 any breach by the Chargor of any of its obligations under this deed.

21 FURTHER ASSURANCE

- 21.1 The Chargor shall, at its own expense, promptly take whatever action the Chargee or any Receiver may require for creating, perfecting or protecting the security intended to be created by this deed or for facilitating the realisation of any of the Charged Property or for facilitating the exercise of any right, power, authority or discretion exercisable by the Chargee or any Receiver in respect of any of the Charged Property.
- 21.2 Without prejudice to the generality of clause 21.1, the Chargor shall take all such action available to it including, without limitation (if the Chargee or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Charged Property (whether to the Chargee or to its nominee) and the giving of any notice, order or direction and the making of any registration.

22 POWER OF ATTORNEY

By way of security, each Chargor irrevocably and severally appoints the Chargee, every Receiver and every Delegate separately to be the attorney of the Chargor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that the Chargor is required to execute and do under this deed and any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed. Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

23 CHANGES TO PARTIES

23.1 Assignment by Chargee

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

23.2 Assignment by Chargor

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

24 SET-OFF

The Chargee may at any time set off any liability of the Chargor to the Chargee against any liability of the Chargee to the Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. Any exercise by the Chargee of its rights under this clause shall not limit or affect any other rights or remedies available to it.

25 AMENDMENTS, WAIVERS AND CONSENTS

- 25.1 Any provision of this Deed may be amended only if the Chargee and the Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Chargee so agrees in writing. A waiver given or consent granted by the Chargee under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

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

26 PARTIAL INVALIDITY

All of the provisions of this deed are severable and distinct from one another and if at any time any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified (or deleted, if modification is not possible) to the minimum extent necessary to make it valid, legal and enforceable. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

27 COUNTERPARTS

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

28 CONDITIONAL DISCHARGE

28.1 Release

Subject to clause 28.2, upon the expiry of the Security Period (but not otherwise) the Chargee shall, at the request and cost of the Chargor, take whatever action is necessary to release (without recourse of warranty) the Charged Property from the Security.

28.2 Reinstatement

Any release, discharge or settlement between the Chargor and the Chargee shall be deemed conditional on no payment or security received by the Chargee in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement, the Chargee may retain this deed for any period that the Chargee deems necessary to provide the Chargee with security against any such avoidance, reduction or order for refund and the Chargee may recover the value or amount of such security or payment from the Chargor subsequently as if the release, discharge or settlement had not occurred. The Chargee may further concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

29 CALCULATIONS AND CERTIFICATES

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

30 CONSOLIDATION

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

31 NOTICES

Any communication to be made under, or in connection with, this deed shall be made in writing and, unless otherwise stated, may be made by fax or letter (but not email) and otherwise in accordance with the Facility Letter.

32 GOVERNING LAW

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

33 JURISDICTION AND ENFORCEMENT

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims). This clause 33 is for the benefit of the Chargee only and as a result, the Chargee shall not be prevented from taking proceedings in any other court of competent jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

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
PROPERTY**

ALL THAT freehold interest in the land and property known as High Rock and 2a, 2b, 3 and 4 Penmoel Cottages, Woodcroft, Chepstow, NP16 7QL and registered at HM Land Registry with Title Absolute under Title Number GR400683

EXECUTION

EXECUTED as a Deed by **PM STABLES LTD**

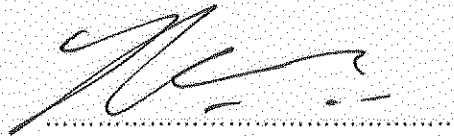
acting by a director and its secretary or two

directors or a director in the presence of a witness:

)

)

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Director

Director/Secretary

Signature, name and address of witness



DANIEL WEDGWOOD

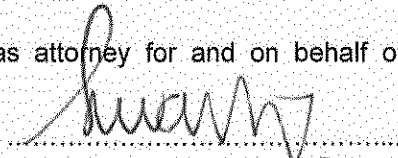
35 QUEENS DALE CRESCENT

BRISTOL, BS4 2TW

Stuart Allen
Partner
Paris Smith LLP
9 Parchment Street
Winchester
Hampshire SO23 8AT

EXECUTED as a Deed by
HAMPSHIRE TRUST BANK PLC in the presence of a witness

as attorney for and on behalf of



Attorney/ Authorised Signatory

Signature, name (in block capitals) and address of witness



JESSICA HAWKINS

9 PARCHMENT STREET

WINCHESTER SO23 8AT