



**Registration of a Charge**

Company Name: **AVO DISTRIBUTION GROUP LTD.**

Company Number: **12922585**



XB2BX2NC

Received for filing in Electronic Format on the: **20/04/2022**

**Details of Charge**

Date of creation: **08/04/2022**

Charge code: **1292 2585 0003**

Persons entitled: **PULSE CASHFLOW FINANCE LIMITED**

Brief description:

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

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

Certified by: **CROWELL & MORING**



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

Company number: 12922585

Charge code: 1292 2585 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th April 2022 and created by AVO DISTRIBUTION GROUP LTD. was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th April 2022 .

Given at Companies House, Cardiff on 26th April 2022

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**                      **8 APRIL**                      **2022**

**THE CHARGORS (AS DEFINED IN THIS DEED) (1)**

and

**PULSE CASHFLOW FINANCE LIMITED**  
as Security Agent (2)

## COMPOSITE GUARANTEE AND DEBENTURE

**Crowell & Moring  
Tower 42  
25 Old Broad Street  
London EC2N 1HQ  
Ref: A,JK**

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**THIS DEBENTURE** is made on **8 April**

**2022**

**BETWEEN**

- (1) **THE COMPANIES NAMED IN SCHEDULE 1 TO THIS DEED** (the "**Chargors**" and each a "**Chargor**"); and
- (2) **PULSE CASHFLOW FINANCE LIMITED**, a company registered in England and Wales with the number 07940254 and having its registered office at Level 1, Network House, Basing View, Basingstoke, Hampshire RG21 4HG as security trustee for itself and the other Secured Parties as defined below (the "**Security Agent**"),

(collectively, the "**Parties**").

**IT IS AGREED THAT:**

## **1 DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Deed:

- (a) terms defined in, or construed for the purposes of, the Master Agreement referred to below have the same meanings when used in this Deed (unless otherwise defined in this Deed); and
- (b) at all times the following terms have the following meanings:

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

**"Assigned Assets"** means the Security Assets expressed to be assigned by way of security pursuant to clause 3.3 (*Security assignments*).

**"Delegate"** means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Agent or by a Receiver.

**"Insurances"** means all policies of insurance (and all cover notes) which are at any time held by or written in favour of a Chargor, or in which the Chargor from time to time has an interest including, without limitation, a policies of insurance (if any) specified in part 4 of Schedule 2 (*Details of Security Assets*) but excluding such policies of insurance to the extent that they relate to third party liabilities.

**"Intellectual Property"** means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Chargors in, or relating to:

- (a) any patents, trade-marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist) in any part of the world, whether registered or unregistered;

- (b) the benefit of all applications for registration of and rights to use such assets of a Chargor (which may now or in the future subsist) in any part of the world; and
- (c) the goodwill attaching to or generated by the use of such assets now or in the future

(including, without limitation, the Specified Intellectual Property).

**"Inventory"** means all produce, raw materials, work in progress and finished goods, being the stock-in-trade of a Chargor.

**"Investments"** means all shares, stocks, debentures, bonds or other securities or investments owned by a Chargor or held by any nominee or trustee on its behalf.

**"Master Agreement"** means the master trade finance agreement dated on or about the date of this Deed and made between (1) the Chargors, (2) Pulse Cashflow Finance Limited as Financier and (3) the Security Agent and includes all schedules and appendices to that agreement, including without limitation the General Terms and Conditions and all Facility Conditions (as each of those terms is defined in the Master Agreement).

**"Non-Vesting Receivable"** means any Receivable assigned or purportedly assigned to the Financier in compliance with the Master Agreement, title to which has for any reason failed to vest in the Financier.

**"P&M"** means all plant, machinery and equipment of a Chargor, including but not limited to the plant, machinery and equipment listed in part 5 of Schedule 2 (*Details of Security Assets*).

**"Party"** means a party to this Deed.

**"Planning Acts"** means (a) the Town and Country Planning Act 1990, (b) the Planning (Listed Buildings and Conservation Areas) Act 1990, (c) the Planning (Hazardous Substances) Act 1990, (d) the Planning (Consequential Provisions) Act 1990, (e) the Planning and Compensation Act 1991, (f) any regulations made pursuant to any of the foregoing and (g) any other legislation of a similar nature.

**"Real Property"** means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to a Chargor, or in which a Chargor has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 of Schedule 2 (*Details of Security Assets*)), together with:

- (d) all buildings and fixtures (including trade fixtures) and P&M at any time thereon;
- (e) all easements, rights and agreements in respect thereof; and
- (f) the benefit of all covenants given in respect thereof.

**"Receiver"** means a receiver, receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Security Agent under this Deed.

**"Secured Liabilities"** means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Obligors and each of them to any Secured Party under the Finance Documents.

**"Security Assets"** means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed.

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which:

- (g) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and
- (h) the Security Agent does not have any further commitment, obligation or liability under or pursuant to the Finance Documents.

**"Specified Intellectual Property"** means the Intellectual Property specified in part 3 of Schedule 2 (*Details of Security Assets*).

## 1.2 Interpretation

- (a) Unless a contrary indication appears, in this Deed the provisions of paragraph 2.2 (*Interpretation*) of the General Terms and Conditions apply to this Deed as though they were set out in full in this Deed, except that references to "this Agreement" in that paragraph shall be construed as references to this Deed.
- (b) Unless a contrary indication appears, any reference in this Deed to:
  - (i) a **"Chargor"**, the **"Security Agent"** an **"Obligor"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (ii) **"this Deed"**, the **"Master Agreement"**, any other **"Finance Document"** or any other agreement or instrument is a reference to this Deed, the Master Agreement, that other Finance Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of any Client or Affiliate or provides for further advances);
  - (iii) **"Secured Liabilities"** includes obligations and liabilities which would be treated as such but for the winding-up, liquidation, administration or dissolution of or similar event affecting any person;
  - (iv) any **"rights"** in respect of an asset includes:
    - (A) all amounts and proceeds paid or payable;
    - (B) all rights to make any demand or claim; and
    - (C) all powers, remedies, causes of action, security, guarantees and indemnities,in each case in respect of or derived from that asset; and
  - (v) a reference to any **"share"**, **"stock"**, **"debenture"**, **"bond"** or **"other security"** or **"investment"** includes:



- (A) any dividend, interest or other distribution paid or payable;
- (B) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

in each case in respect of that share, stock, debenture, bond or other security or investment;

- (vi) the term "**this Security**" means any Security created or evidenced by this Deed.
- (c) Each covenant or undertaking of a Chargor (other than a payment obligation) contained in this Deed:
  - (i) must be complied with at all times during the Security Period; and
  - (ii) is given by that Chargor for the benefit of the Secured Parties.
- (d) The terms of the other Finance Documents, and of any side letters between any of the parties to them in relation to any Finance Document, are incorporated in this Deed to the extent required to ensure that any disposition of the Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (e) If the Security Agent reasonably considers that an amount paid by any person to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the person making that payment, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (f) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

### 1.3 **Joint and several**

The liabilities and obligations of each Chargor under this Deed are joint and several. Each Chargor agrees to be bound by this Deed notwithstanding that any other Chargor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.

### 1.4 **Third party rights**

- (a) Save as expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

## **2 COVENANT TO PAY**

### **2.1 Covenant to pay**

Each Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Agent that it will pay and discharge the Secured Liabilities from time to time when they fall due.

### **2.2 Guarantee and indemnity**

- (a) Each Chargor irrevocably and unconditionally:
  - (i) guarantees the punctual performance by each other Obligor of all obligations of all that Obligor's obligations under the Finance Documents;
  - (ii) undertakes that if and whenever another Obligor does not pay any amount when due under, or in connection with any Finance Document, the Chargor shall immediately on demand pay that amount as if it were the principal obligor; and
  - (iii) indemnifies each of the Secured Parties immediately on demand against any cost, loss or liability suffered by that Secured Party if and in the event that any obligation guaranteed by the Chargor is or becomes unenforceable, invalid or illegal. The amount of the costs, loss or liability for this purpose shall be equal to the amount which the relevant Secured Party would otherwise have been entitled to recover.
- (b) The guarantee and indemnity contained in this clause 2.2 is given with the benefit of the provisions set out in Schedule 3 (*Guarantee provisions*).

### **2.3 Default interest**

Any amount which is not paid under this Deed when due shall bear default interest (both before and after judgment and payable on demand) at the Default Rate from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full.

## **3 CREATION OF SECURITY**

### **3.1 Nature of security**

- (a) All Security Interests and dispositions created or made by or pursuant to this Deed are created or made:
  - (i) in favour of the Security Agent;
  - (ii) over present and future assets of the relevant Chargor; and
  - (iii) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

### 3.2 **Fixed charges**

#### (a) **Real Property**

Each Chargor charges by way of first fixed charge:

- (i) all its Real Property and all its interests in Real Property;
- (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land; and
- (iii) all its rights under any present or future contract for the purchase of any Real Property and any damages in respect of any such contract; and
- (iv) the proceeds of sale of its Real Property (or any of it).

#### (b) **Investments**

Each Chargor charges by way of first fixed charge:

- (i) all its Investments referred to in Part 2 of Schedule 2 (*Details of Security Assets*); and
- (ii) all its Investments not charged under clause 3.2(b)(i).

#### (c) **Inventory**

- (i) Each Chargor mortgages by way of first fixed charge all its Inventory (if any) which is stored or held in an Approved Warehouse Location at any time.
- (ii) Each Chargor charges by way of first fixed charge all its Inventory not mortgaged under clause 3.2(c)(i) above.

#### (d) **P&M**

To the extent that such P&M is not the subject of a first fixed charge under clause 3.2(a) (*Real Property*) above, each Chargor charges by way of a first fixed charge all P&M owned by it and its interest in P&M in its possession.

#### (e) **Book debts and other debts, bank accounts**

- (i) Each Chargor charges by way of first fixed charge:
  - (A) (without prejudice to clause 3.2(e)(ii) below) all of its book and other debts and the benefit of all rights in relation to them
  - (B) all other moneys owing to it and the benefit of all rights in relation to such moneys.
- (ii) Each Chargor hereby charges by way of fixed charge all its Non-Vesting Receivables and all the Related Rights, to the extent not charged under clause 3.2(e)(i) above.

- (iii) Each Chargor charges by way of first fixed charge all its accounts with any bank, financial institution or other person at any time and all monies at any time standing to the credit of such accounts in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing.

(f) **Intellectual Property**

Each Chargor charges by way of first fixed charge:

- (i) all its Specified Intellectual Property (if any); and
- (ii) all its Intellectual Property not charged by clause 3.2(f)(i) above

(g) **Assigned Assets**

To the extent that any of its Assigned Assets is not effectively assigned under clause 3.3 (*Security assignment*), each Chargor charges by way of first fixed charge any such Assigned Asset.

(h) **Other assets**

Each Chargor charges by way of first fixed charge (to the extent not otherwise mortgaged, charged or assigned under this Deed):

- (i) the benefit of all licences, consents, agreements and Authorisations held it or used in connection with its business or the use of any of its assets, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation; and
- (ii) all letter of credit issued in its favour and all bills of exchange and other negotiable instruments held by it; and
- (iii) all of its goodwill and uncalled capital.

**3.3 Security assignments**

- (a) Each Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to each of the following (such that each is subject to a separate assignment):

- (i) all Insurances specified in part 4 of Schedule 2 (*Details of Security Assets*); and
- (ii) all other Insurances (not assigned by clause 3.3(a)(i));

and all claims under the Insurances and all proceeds of the Insurances.

- (b) If and to the extent that any Assigned Asset purportedly assigned under clause 3.3(a) is:

- (i) not capable of assignment; or

- (ii) subject to the terms and conditions (which must be valid, binding and enforceable under applicable laws) that either preclude absolutely, or require consent of a third party to such assignment,
- (iii) then and in each such case, to the maximum extent permitted by law:
  - (A) the security assignment which clause 3.3(a) purports to effect shall operate instead as an assignment of all present and future rights and claims of a Chargor to any proceeds of that Assigned Asset; and
  - (B) the relevant Assigned Asset shall be charged by way of first fixed charge under clause 3.2(g) (*Fixed charges*).

### **3.4 Notice of assignment and/or charge – immediate notice**

Immediately upon execution of this Deed (and promptly upon the obtaining of any Insurance after the date of this Deed), each Chargor shall, in respect of each of its Insurances, deliver a duly completed notice of assignment to the provider of each such Insurance, and shall use its reasonable endeavours to procure that each such person executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in Schedule 4 (*Form of notice to and acknowledgement by Insurer*).

### **3.5 Assigned Assets**

The Security Agent is not obliged to take any steps necessary to preserve any Assigned Asset or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

## **4 FLOATING CHARGE**

- (a) Each Chargor charges and agrees to charge by way of first floating charge all of its present and future:
  - (i) assets and undertaking (including, for the avoidance of doubt, Inventory) (wherever located) not otherwise effectively charged by way of fixed mortgage or charge or assigned pursuant to clause 3.2 (*Fixed charges*), clause 3.3 (*Security assignments*) or any other provision of this Deed; and
  - (ii) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.
- (b) The floating charge created by this clause 4 is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

## **5 CONVERSION OF FLOATING CHARGE**

### **5.1 Conversion by notice**

The Security Agent may, by written notice to a Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of that Chargor specified in the notice if:

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

- (b) the Security Agent considers any Security Asset to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

## **5.2 Small companies**

The floating charge created under this Deed by each Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of such Chargor.

## **5.3 Automatic conversion**

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

- (a) in relation to any Security Asset which is subject to a floating charge if:
  - (i) a Chargor creates (or attempts or purports to create) any Security Interest on or over the relevant Security Asset without the prior written consent of the Security Agent; or
  - (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and
- (b) over all Security Assets of a Chargor which are subject to a floating charge if an administrator is appointed in respect of that Chargor or the Security Agent receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986).

## **5.4 Scottish property**

Clause 5.3 (*Automatic conversion*) will not apply to any assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such automatic conversion.

## **5.5 Partial conversion**

The giving of a notice by the Security Agent pursuant to clause 5.1 (*Conversion by notice*) in relation to any asset or class of assets of a Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent to serve similar notices in respect of any other asset or class of assets or of any other right of the Security Agent and/or the other Secured Parties.

# **6 CONTINUING SECURITY**

## **6.1 Continuing security**

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

## **6.2 Additional and separate security**

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security Interest which any Secured Party (in its capacity as such other otherwise) may at any time hold for any of the Secured Liabilities.

## **6.3 Right to enforce**

This Deed may be enforced against each or any Chargor without the Security Agent first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them. This waiver applies irrespective of any law or provision of a Finance Document to the contrary.

# **7 LIABILITY OF THE CHARGORS RELATING TO SECURITY ASSETS**

Notwithstanding anything contained in this Deed or implied to the contrary, each of the Chargors remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

# **8 REPRESENTATIONS**

## **8.1 General**

Each Chargor makes the representations and warranties set out in this clause 8.

## **8.2 Ownership of Security Assets**

Each Chargor is the sole legal and beneficial owner of all of the Security Assets identified against its name in Schedule 2 (*Details of Security Assets*).

## **8.3 Investments**

The Investments listed in part 2 of Schedule 2 (*Details of Security Assets*) are fully paid and constitute the entire share capital owned by each Chargor in the relevant company and constitute the entire share capital of each such company.

## **8.4 Real Property**

Part 1 of Schedule 2 (*Details of Security Assets*) identifies all freehold and leasehold Real Property which is beneficially owned by each Chargor at the date of this Deed.

# **9 GENERAL COVENANTS**

## **9.1 Negative pledge**

Except as otherwise permitted under the Finance Documents, no Chargor shall create or permit to subsist any Security Interest on any Security Asset.

## 9.2 Disposals

- (a) Except as provided in clause 9.2(b) or as expressly permitted under the Finance Documents, no Chargor may enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any of the Security Assets.
- (b) Clause 9.2(a) shall not prohibit a Chargor from undertaking a disposal of Inventory for cash on arm's length terms in the ordinary course of the Chargor's business, subject always to any requirements of any of the other Finance Documents in respect of any such disposal or its proceeds.

## 9.3 Security Assets generally

Each Chargor shall:

- (a) notify the Security Agent within 14 days of receipt of every material notice, order, application, requirement or proposal given or made in relation to the Security Assets by any competent authority, and (if required by the Security Agent):
  - (i) immediately provide it with a copy of the same; and
  - (ii) either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as the Security Agent may require or approve;
- (b) pay all rates, rents and other outgoings owed by it in respect of the Security Assets;
- (c) comply with:
  - (i) all obligations in relation to the Security Assets under any present or future regulation or requirement of any competent authority or any Authorisation; and
  - (ii) all covenants and obligations affecting any Security Asset (or its manner of use);
- (d) not, save with the prior written consent of the Security Agent, enter into any onerous or restrictive obligation affecting any Security Assets (except as expressly permitted by the Master Agreement);
- (e) provide the Security Agent with all information which it may reasonably request in relation to the Security Assets;
- (f) ensure (including by providing all necessary passwords and codes) that the Security Agent, any person authorised by the Security Agent and any Receiver appointed by it or pursuant to its application and any person authorised by such Receiver shall have the right (in addition to and without prejudice to all its or his other powers or rights) on reasonable notice (or, after this Security has become enforceable pursuant to clause 17.1 (*When enforceable*), at any time) to enter upon any premises at which the relevant Chargor carries on business and upon any other premises in which any part or all of such ledgers, accounts, computer equipment and data and other records and



documents relating to any of the Security Assets are for the time being kept or stored, for the purpose of such inspection, copying or taking possession; and

- (g) not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

#### **9.4 Deposit of documents and notices**

- (a) Each Chargor shall:
  - (i) if requested by the Security Agent in writing, deposit with the Security Agent:
    - (A) all deeds and documents of title relating to the Security Assets; and
    - (B) all local land charges, land charges and HM Land Registry search certificates and similar documents received by or on behalf of the relevant Chargor,

which the Security Agent may hold throughout the Security Period; and

- (ii) (in addition to any such requirement contained in the Master Agreement or any other Finance Document) promptly on request by the Security Agent, affix to any P&M, fixtures, fittings, computers, vehicles, office equipment, other equipment and other asset for the time being owned by it (in a prominent position) a durable notice of this Deed (in any form required by the Security Agent).

### **10 REAL PROPERTY**

#### **10.1 Acquisitions**

Each Chargor shall notify the Security Agent promptly prior to the acquisition of any estate or interest in any freehold or leasehold property.

#### **10.2 Maintenance, leasing and development**

- (a) Each Chargor shall maintain all buildings and erections forming part of the Security Assets in a good state of repair.
- (b) No Chargor shall, except with the prior written consent of the Security Agent (or as expressly permitted under the Master Agreement):
  - (i) confer on any person any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
  - (ii) confer on any person any right or licence to occupy any land or buildings forming part of the Real Property; or
  - (iii) grant any licence to assign or sub-let any part of the Real Property.

- (c) No Chargor shall carry out any development within the meaning of the Planning Acts in or upon any part of the Real Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure of, or a change of use of, any part of the Real Property, without first obtaining the written consent of the Security Agent.
- (d) The Chargors shall not do, or permit to be done, anything as a result of which any lease may be liable to forfeiture or otherwise be determined.
- (e) The Chargors shall permit the Security Agent and any person nominated by it at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it.

### 10.3 Land Registry

Each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Real Property registered at the Land Registry:

*"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ • ] in favour of [ • ] referred to in the charges register or their conveyancer. (Standard Form P)".*

## 11 INTELLECTUAL PROPERTY

Each Chargor shall:

- (a) ensure that all renewal and maintenance fees relating to any registration or application for registration of any of its Intellectual Property which may now or in future exist will be paid promptly when falling due (including, without limitation, the Specified Intellectual Property); and
- (b) not do or permit to be done any act which would or might jeopardise or invalidate any registration or application for registration of any of its Intellectual Property which may now or in future exist (including, without limitation, the Specified Intellectual Property rights) nor to do any act which might assist or give rise to an application to oppose, remove, revoke or invalidate any such registration or application for registration.

## 12 P&M

Each Chargor shall:

- (a) keep the P&M charged by this Deed in a good state of repair; and
- (b) not sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether voluntarily or involuntarily) the whole or any part of its interest in any P&M charged by this Deed except as permitted under the Master Agreement.

## 13 INSURANCE

- (a) Each Chargor shall at all times comply with its obligations as to insurance and the proceeds of insurance contained in the Master Agreement.
- (b) If at any time a Chargor defaults in:
  - (i) effecting or keeping up the insurances required under the Master Agreement; or
  - (ii) producing any insurance policy or receipt in respect of the insurances referred to in clause 13(b)(i) to the Security Agent on demand,

the Security Agent may (without prejudice to its rights under clause 16 (*Power to remedy*)) take out or renew such policies of insurance in any sum which the Security Agent may reasonably think expedient. All monies which are reasonably expended by the Security Agent in doing so shall be deemed to be properly paid by the Security Agent and shall be reimbursed by the relevant Chargor on demand.

- (c) The relevant Chargor shall notify the Security Agent if any claim arises or may be made under the Insurances.
- (d) The relevant Chargor shall, subject to the rights of the Security Agent under clause 13(e), timely and diligently pursue its rights under the Insurances.
- (e) In relation to the proceeds of Insurances, all claims and monies received or receivable under any Insurances shall (unless otherwise provided in the Master Agreement and subject always to the rights or claims of any lessor or landlord of any part of the Security Assets) be applied:
  - (i) in repairing, replacing, restoring or rebuilding the property damaged or destroyed; or
  - (ii) at the option of the Security Agent, at any time after the occurrence of an Event of Default, in permanent reduction of the Secured Liabilities.

## 14 BOOK AND OTHER DEBTS

- (a) Each Chargor shall:
    - (i) without prejudice to clause 9.1 (*Negative pledge and Disposals*) (but in addition to the restrictions in that clause), not, without the prior written consent of the Security Agent, sell, assign, charge, factor or discount or in any other manner deal with:
      - (A) any Non-Vesting Receivables;
      - (B) any Related Rights;
      - (C) any other book or other debt,
- save to the extent permitted by the Master Agreement; and

- (ii) collect and realise all its book and other debts promptly in the ordinary course of trading.
- (b) Each Chargor shall deal with its Non-Vesting Receivables in all respects in the same manner as the other Receivables assigned by it to the Financier in accordance with the Master Agreement.

## **15 INVESTMENTS**

### **15.1 Deposit**

Without prejudice to the generality of clause 9.4 (*Deposit of documents and notices*), each Chargor must immediately:

- (a) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to its Investments; and
- (b) execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments.

### **15.2 Calls**

Each Chargor must pay all calls or other payments due and payable in respect of any of its Investments.

### **15.3 Voting rights**

- (a) Before this Security becomes enforceable:
  - (i) the voting rights, powers and other rights in respect of its Investments will be exercised by the relevant Chargor; and
  - (ii) each Chargor shall be entitled to receive and retain all dividends, distributions and other monies paid on or derived from its Investments.
- (b) After this Security has become enforceable, the Security Agent may exercise (in the name of the relevant Chargor and without any further consent or authority on the part of that Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

## **16 POWER TO REMEDY AND GENERAL INDEMNITY**

### **16.1 Power to remedy**

If at any time a Chargor does not comply with any of its obligations under this Deed, the Security Agent (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The relevant Chargor irrevocably authorises the Security Agent and its employees and agents by way of security to

do all such things (including entering the property of the relevant Chargor) which are necessary or desirable to rectify that default.

#### **16.2 Mortgagee in possession**

The exercise of the powers of the Security Agent under this clause 16 shall not render it liable as a mortgagee in possession.

#### **16.3 Monies expended**

The relevant Chargor shall promptly pay to the Security Agent on demand any monies which are expended by the Security Agent in exercising its powers under this clause 16, together with interest at the Default Rate from the date on which those monies were expended by the Security Agent (both before and after judgment) and otherwise in accordance with clause 2.3 (*Default interest*).

#### **16.4 General indemnity**

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

- (a) taking, holding, protecting, perfecting, preserving, releasing or enforcing (or attempting to do so) this Security; or
- (b) any default or delay by the Chargors or any of them in performing any of their obligations under this Deed.

### **17 WHEN SECURITY BECOMES ENFORCEABLE**

#### **17.1 When enforceable**

This Security shall become immediately enforceable upon the occurrence of an Event of Default.

#### **17.2 Statutory powers**

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default.

#### **17.3 Enforcement**

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in such manner as it sees fit.

## **18 ENFORCEMENT OF SECURITY**

### **18.1 General**

For the purposes of all rights and powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to this Security.

### **18.2 Powers of leasing**

The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with section 99 or 100 of the Act.

### **18.3 Powers of the Security Agent**

- (a) At any time after this Security becomes enforceable (or if so requested by the Chargors by written notice at any time), the Security Agent may without further notice (unless required by law):
  - (i) appoint any person (or persons) to be Receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
  - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of a Chargor; and/or
  - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
  - (iv) exercise (in the name of any Chargor and without any further consent or authority of that Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Investment is registered or who is the holder of any of them.
- (b) The Security Agent is not entitled to appoint a Receiver in respect of any Security Assets of any Chargor which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargors.

### **18.4 Redemption of prior mortgages**

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

- (a) redeem any prior Security Interest against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security Interest and any accounts so settled and passed shall be conclusive and binding on each Chargor.

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

#### **18.5 Privileges**

- (a) Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.
- (b) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargors under this Deed constitutes a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No 3226)) each Receiver and the Security Agent shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (c) For the purpose of clause 18.5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

#### **18.6 No liability**

- (a) Neither the Security Agent, nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 18.6(a), neither the Security Agent, nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

#### **18.7 Protection of third parties**

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

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Agent or the Receiver is purporting to exercise has become exercisable;
- (c) whether any money remains due under any Finance Document; or
- (d) how any money paid to the Security Agent or to the Receiver is to be applied.

## **19 RECEIVER**

### **19.1 Removal and replacement**

The Security Agent may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

### **19.2 Multiple Receivers**

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

### **19.3 Remuneration**

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent (or, failing such agreement, to be fixed by the Security Agent).

### **19.4 Payment by Receiver**

Only monies actually paid by a Receiver to the Security Agent in relation to the Secured Liabilities shall be capable of being applied by the Security Agent in discharge of the Secured Liabilities.

### **19.5 Agent of the Chargors**

Any Receiver shall be the agent of the Chargor in respect of which s/he is appointed. The Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his or her acts and defaults and for the payment of his or her remuneration. The Security Agent shall not incur any liability (either to the Chargors or to any other person) by reason of the appointment of a Receiver or for any other reason.

## **20 POWERS OF RECEIVER**

### **20.1 General powers**

Any Receiver shall have:

- (a) all the powers which are conferred on the Security Agent by clause 18.3 (*Powers of the Security Agent*);
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (d) all powers which are conferred by any other law conferring power on receivers.



## 20.2 Additional powers

In addition to the powers referred to in clause 20.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets and the business of any Chargor as s/he thinks fit;
- (c) to redeem any Security Interest and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his or her powers and/or defraying any costs or liabilities incurred by him or her in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which s/he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation;
  - (i) fixtures may be severed and sold separately from the Real Property containing them, without the consent of any Chargor;
  - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
  - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which any Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the relevant Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, such Chargor;
- (g) to take any such proceedings (in the name of any Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his or her appointment);
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Agent shall direct);

- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his or her partners and firm);
- (k) to form one or more Subsidiaries of any Chargor and to transfer to any such Subsidiary all or any part of the Security Assets;
- (l) to operate any rent review clause in respect of any Real Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease; and
- (m) to:
  - (i) give valid receipts for all monies and to do all such other things as may seem to him or her to be incidental or conducive to any other power vested in him or her or necessary or desirable for the realisation of any Security Asset;
  - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
  - (iii) use the name of any Chargor for any of the above purposes.

## **21 APPLICATION OF PROCEEDS**

### **21.1 Application**

All monies received by the Security Agent or any Receiver after this Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Security) be applied in or towards discharge of the Secured Liabilities in accordance with clause 23 (*Application of Proceeds*) of the Master Agreement.

### **21.2 Contingencies**

If this Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when the Security Agent or any Receiver or Delegate considers amounts may become so due), the Security Agent or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Security Agent may determine).

### **21.3 Appropriation and suspense account**

- (a) Subject to clause 21.1 (*Application*), the Security Agent shall apply all payments received in respect of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by any Chargor.
- (c) All monies received, recovered or realised by the Security Agent under or in connection with this Deed may at the discretion of the Security Agent be credited to a separate interest-bearing suspense account for so long as the Security Agent determines (with interest accruing thereon at such rate (if any) as the Security Agent may determine) without the Security Agent having any obligation to apply such

monies and interest or any part of it in or towards the discharge of any of the Secured Liabilities.

## **22 DELEGATION**

Each of the Security Agent and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Agent nor any Receiver shall be in any way liable or responsible to the Chargors for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

## **23 FURTHER ASSURANCES**

### **23.1 Further action**

Each Chargor shall at its own expense, promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent or a Receiver may reasonably specify (and in such form as the Security Agent or a Receiver may reasonably require) in favour of the Security Agent, a Receiver or its nominees in order to:

- (a) perfect this Security created or intended to be created under or evidenced by this Deed or for the exercise of any rights, powers and remedies exercisable by the Security Agent or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to this Deed or by law; or
- (b) confer on the Security Agent, the Secured Parties or any Receiver Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or
- (c) facilitate the realisation of the assets which are, or are intended to be, the subject of this Security.

### **23.2 Filings and registrations**

Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of this Security.

### **23.3 Specific security**

Without prejudice to the generality of clause 23.1 (*Further action*), each Chargor will immediately upon request by the Security Agent execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed (including any fixed security arising or intended to arise pursuant to clause 5 (*Conversion of floating charge*)).

## **24 POWER OF ATTORNEY**

Each Chargor, by way of security and after the occurrence of an Event of Default, irrevocably and severally appoints the Security Agent, each Receiver and any Delegate to be its attorney to take any action which the Chargor is obliged to take under this Deed, including under

Clause 23 (*Further assurances*). Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

## **25 CURRENCY CONVERSION**

All monies received or held by the Security Agent or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Agent or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Spot Rate of Exchange for the purchase of the relevant currency in the London foreign exchange market on the relevant day. Each Chargor shall indemnify the Security Agent against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Agent nor any Receiver shall have any liability to any Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

## **26 CHANGES TO THE PARTIES**

### **26.1 Chargors**

No Chargor may assign any of its rights or obligations under this Deed.

### **26.2 Secured Parties**

Any Secured Party may assign or transfer all or any part of its rights under this Deed in accordance with the Master Agreement. Each Chargor shall, immediately upon being requested to do so by a Secured Party through the Security Agent, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

## **27 MISCELLANEOUS**

### **27.1 New accounts**

- (a) If a Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for any Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Liabilities.

### **27.2 Tacking**

- (a) Each Secured Party shall perform its obligations under the Master Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

### **27.3 Articles of Association**

Each Chargor certifies that this Security does not contravene any of the provisions of its articles of association.

### **28 NOTICES**

- (a) Paragraph 24 (*Notices*) of the General Terms and Conditions is incorporated into this Deed as if fully set out in this Deed and as if references to the "this Agreement" in such paragraph were references to this Deed.
- (b) The address and fax numbers of each Party for all communications or documents given under or in connection with this Deed are those identified with its name in the execution pages to this Deed or subsequently notified from time to time by the relevant Party for the purposes of the Master Agreement or this Deed.

### **29 CALCULATIONS AND CERTIFICATES**

Any certificate of or determination by the Security Agent specifying the amount of any Secured Liability due from a Chargor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the relevant Chargors of the matters to which it relates.

### **30 PARTIAL INVALIDITY**

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

### **31 REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, 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.

### **32 AMENDMENTS AND WAIVERS**

Any provision of this Deed may be amended only if the Security Agent and the Chargors so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Agent so agrees in writing. A waiver given or consent granted by the Security Agent 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.

### **33 COUNTERPARTS**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

## **34 RELEASE**

### **34.1 Release**

Upon the expiry of the Security Period (but not otherwise) the Security Agent shall at the request and cost of the Chargors, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from this Security.

### **34.2 Reinstatement**

Where any discharge (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of each Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Agent may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

## **35 GOVERNING LAW**

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

## **36 ENFORCEMENT**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraph (b) above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, Secured Parties may take concurrent proceedings in any number of jurisdictions.

**IN WITNESS** of which this Deed has been duly executed by each Chargor as a deed and duly executed by the Security Agent and has been delivered on the first date specified on page 1 of this Deed.

**SCHEDULE 1**  
**Chargors**

<b>Company name</b>	<b>Registered number</b>	<b>Registered office</b>
Ava Munch Ltd	13465094	53 Witham Road, Black Notley, Essex, England, CM77 8LQ
AVO Distribution Group Ltd	12922585	53 Witham Road, Black Notley, Essex, England, CM77 8LQ

## SCHEDULE 2

### Details of Security Assets

#### Part 1 – Real Property

Freehold properties with registered title			
Chargor	Administrative Area	Address	Title number
None as at the date of this Deed			

Freehold properties with unregistered title			
Chargor	Address	Document describing the Real Property	
		Date	Parties
None as at the date of this Deed			

Leasehold properties			
Company	Administrative Area	Address	Title number
None as at the date of this Deed			

Lettings				
Chargor	Address	Document describing the Real Property		
		Date of Letting Document	Document	Parties
AVO Distribution Group Ltd	PO Box 575 Njombre, Tanzania	-	-	-



## Part 2 – Investments

Chargor	Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
Ava Munch Ltd	AVO Distribution Group Ltd	Ordinary £1	100	£100

## Part 3 – Intellectual Property

Trade marks			
Proprietor/ADP number	TM number	Jurisdiction/apparent status	Mark text
None as at the date of this Deed			

Registered Designs			
Proprietor/ADP number	TM number	Jurisdiction/apparent status	Mark text
None as at the date of this Deed			

Patents			
Proprietor/ADP number	Application number	Jurisdiction/apparent status	Mark text
None as at the date of this Deed			

Domain Names			
Proprietor/ADP number	Domain Name	Status	Next Renewal
Ava Munch Ltd	avamunch.co.uk	Registered	04.06.2023
	avamunch.com	Registered	04.06.2023
	avo-distributors.co.uk	Registered	17.02.2023
	avo-distributors.com	Registered	17.02.2023
	avo-distributors.net	Registered	17.02.2023

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	avo-distributors.uk	Registered	17.02.2023
	avo.group	Registered	17.02.2023
	avodistributions.co.uk	Registered	17.02.2023
	avodistributions.com	Registered	17.02.2023
	avodistributions.net	Registered	17.02.2023
	avodistributions.org	Registered	17.02.2023
	avodistributor.co.uk	Registered	17.02.2023
	avodistributor.com	Registered	17.02.2023
	avodistributors.co.uk	Registered	17.02.2023
	avodistributors.com	Registered	17.02.2023
	avogroup.co.uk	Registered	17.02.2023

#### Part 4 – Insurances

Chargor	Insurer	Policy number	Expiry date
None as at the date of this Deed			

#### Part 5 – P&M

Chargor	P&M
Ava Munch Ltd	AWETA avocado grading and picking line, more particularly described in AWETA G&P B.V. order number AW-210467-6 dated 14 March 2022

### **SCHEDULE 3**

#### **Guarantee provisions**

#### **1 CONTINUING GUARANTEE**

The guarantee contained in this Deed is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

#### **2 WAIVER OF DEFENCES**

The obligations of each Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this paragraph 2, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or to any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with any Obligor or any other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of a Client or any of its Affiliates;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of any Obligor or any other person or any non- presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any of the Finance Documents or any other document or security; or
- (g) any insolvency, administration or similar proceedings.

#### **3 GUARANTOR INTENT**

Without prejudice to the generality of paragraph 2 (*Waiver of defences*), each Chargor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension

of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

#### **4 DEFERRAL OF RIGHTS**

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (d) to bring any legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Chargor has given a guarantee, undertaking or indemnity under this Deed;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with the Secured Parties.

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with clause 23 (*Application of Proceeds*) of the Master Agreement.

## SCHEDULE 4

### Form of Notice to and Acknowledgement by Insurers

To: *[Insert name and address of insurer]*

Dated: [ • ] 202[ • ]

Dear Sirs

**[DESCRIBE INSURANCE POLICIES] DATED [ • ] 202[ • ] BETWEEN (1) YOU AND (2) [ • ] (THE "CHARGOR")**

- 1 We give notice that, by a composite guarantee and debenture dated [ • ] 202[ • ] (the "**Debenture**"), we have assigned to Pulse Cashflow Finance Limited (the "**Security Agent**") as Security Agent for certain financial institutions and others (as referred to in the Debenture) all our present and future right, title and interest in and to the policies described above (together with any other agreement supplementing or amending the same, the "**Policies**") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies.
- 2 We irrevocably authorise and instruct you from time to time:
  - (a) to disclose to the Security Agent at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Security Agent may from time to time request;
  - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Agent;
  - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Security Agent from time to time;
  - (d) to comply with any written notice or instructions in any way relating to (or purporting to relate to) the Debenture, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction); and
  - (e) to send copies of all notices and other information given or received under the Policies to the Security Agent.
- 3 This notice may only be revoked or amended with the prior written consent of the Security Agent.
- 4 Please confirm by completing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us) that you agree to the above and that:
  - (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;

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- (b) you have not, at the date this notice is returned to the Security Agent, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Security Agent promptly if you should do so in future;
- (c) you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Security Agent; and
- (d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without the prior written consent of the Security Agent.

**5** This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

.....  
 for and on behalf of  
**[NAME OF CHARGOR]**

[*On copy*]

To: Pulse Cashflow Finance Limited

Copy to: [•*NAME OF CHARGOR*]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph 4 in the above notice.

.....

for and on behalf of

[• ]

Dated: [• ] 202[• ]

**EXECUTION PAGES**

**CHARGORS**


Executed as a deed, but not delivered until the )  
first date specified on page 1 by **AVA MUNCH** )  
**LIMITED** acting by )  
**MICHAEL MULVANEY** )  
in the presence of:

  
\_\_\_\_\_  
Director

Witness signature:

Witness name:

Witness address:

  
\_\_\_\_\_  
**SABINA ROONEY**  
\_\_\_\_\_  
**BIRKETTS**  
\_\_\_\_\_  
**BRIERLY PLACE**  
\_\_\_\_\_  
**NEW LONDON ROAD**  
\_\_\_\_\_  
**CHELMSFORD CM2 0AP**

**Address:** 53 Witham Road, Black Notley, Essex CM77 8LQ

**Attention:** The Directors


Executed as a deed, but not delivered until the )  
first date specified on page 1 by **AVO** )  
**DISTRIBUTION GROUP LIMITED** acting by )  
**MICHAEL MULVANEY** )  
in the presence of:

  
\_\_\_\_\_  
Director

Witness signature:

Witness name:

Witness address:

  
\_\_\_\_\_  
**SABINA ROONEY**  
\_\_\_\_\_  
**BIRKETTS**  
\_\_\_\_\_  
**BRIERLY PLACE**  
\_\_\_\_\_  
**NEW LONDON ROAD**  
\_\_\_\_\_  
**CHELMSFORD CM2 0AP**

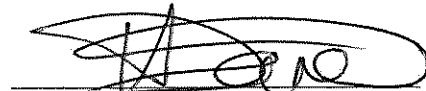
**Address:** 53 Witham Road, Black Notley, Essex CM77 8LQ

**Attention:** The Directors



**SECURITY AGENT**

Executed as a deed, but not delivered until the )  
first date specified on page 1 by **PULSE** )  
**CASHFLOW FINANCE LIMITED** acting by )  
.....**TONI DARE**....., a director/a duly )  
authorised attorney\*


  
Director/Attorney\*

in the presence of:

Witness signature:

Witness name:

Witness address:

  
Adrien Mubhat  
48 Pall Mall  
London SW1Y 5JG

*\*delete as applicable*

**Address:** c/o PETRA Management, 48 Pall Mall, London SW1Y 5JG

**Attention:** The Directors