



Registration of a Charge

Company Name: **HALLMARK DOOR SYSTEMS GROUP LIMITED**

Company Number: **13202511**



Received for filing in Electronic Format on the: **28/03/2022**

XB0R7DQY

Details of Charge

Date of creation: **22/03/2022**

Charge code: **1320 2511 0001**

Persons entitled: **BADEN LLOYD SONLEY
VIRGINIJA PETRAITYTE**

Brief description: **ALL INTERESTS AND ESTATES IN ANY FREEHOLD, LEASEHOLD OR
COMMONHOLD PROPERTY NOW OR SUBSEQUENTLY OWNED BY IT.**

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

Certified by:

WILKIN CHAPMAN LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 13202511

Charge code: 1320 2511 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd March 2022 and created by HALLMARK DOOR SYSTEMS GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th March 2022 .

Given at Companies House, Cardiff on 1st 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

22 March

2022

THE COMPANIES LISTED IN SCHEDULE 1
(as Chargors)

and

BADEN LLOYD SONLEY and VIRGINIJA PETRAITYTE
(as Security Trustees)

DEBENTURE

THIS DEBENTURE IS SUBJECT TO AN INTERCREDITOR AGREEMENT IN FAVOUR OF
HSBC UK BANK PLC AND HSBC INVOICE FINANCE (UK) LIMITED

wilkin chapman 

The Hall
Lairgate, Beverley
East Yorkshire HU17 8HL
Tel: 01482 398398
DX 28302 Beverley
www.wilkinchapman.co.uk

CONTENTS

Clause		Page
1	Definitions and interpretation	3
2	Covenant to pay	7
3	Charging provisions	7
4	Effectiveness of security	10
5	Negative pledge	12
6	Restrictions on disposals	12
7	Further assurance	12
8	Land Registry	13
9	Undertakings	13
10	Power to remedy	13
11	Security power of attorney	14
12	Enforcement of security	14
13	Receiver	17
14	Delegation	22
15	Application of monies	22
16	Expenses and indemnity	22
17	Remedies and waivers	23
18	Protection of third parties	23
19	Settlements conditional	23
20	Subsequent Security	23
21	Set-off	24
22	Notices	24
23	Invalidity	25
24	Changes to Security Trustees	25
25	Assignment	25
26	Releases	25
27	Certificates and determinations	25
28	Counterparts	25
29	Governing law	26
30	Enforcement	26
Schedule 1		
	Chargors	27
Schedule 2		
	Properties	28

This DEBENTURE is dated

22 March

2022

Parties

- (1) The companies listed in Schedule 1 (Chargors), together the **Chargors** and each a **Chargor**; and
- (2) **Baden Lloyd Sonley and Virginija Petraityte** [REDACTED]
[REDACTED] (together the **Security Trustees** and each a **Security Trustee**)

It is agreed

1 Definitions and Interpretation

1.1 Definitions

In this Deed:

Account means any account held by a Chargor with any bank, building society, financial institution or other person (including any replacement account or sub-division or sub-account of that account)

Charged Property means, in respect of any Chargor, each of its assets and undertaking which from time to time are, or are expressed to be, the subject of any Security created (or expressed to be created) by, under or supplemental to, this Deed in favour of the Security Trustees

Chattels has the meaning given to it in clause 3.4(d) (First fixed charges)

Corporate Guarantee means the corporate guarantee and indemnity granted by each of the Chargors (excluding Hallmark Door Systems Group Limited) to the Security Trustees on or around the date of this Deed.

Debts has the meaning given to it in clause 3.4(g) (First fixed charges)

Event of Default has the meaning given in the SPA.

Finance Documents means the Corporate Guarantee, the SPA, this Deed and the Security Trust Deed.

Fixtures means in respect of any Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of this Deed on that Secured Property

Floating Charge Assets means all the assets and undertaking from time to time subject to the floating charge created under clause 3.5 (Floating charge)

Insurance Policies means, in respect of a Chargor, all contracts or policies of insurance present and future taken out by it or on its behalf or in which it has an interest

Investments means any shares, stocks, debentures, securities, bonds and investments of any type whatever, including but not limited to, negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes and partnerships, warrants,

options and any rights to subscribe for any investment (other than the Secured Shares), and in each case:

- (a) whether certificated or uncertificated, physical or dematerialised, registered or unregistered and
- (b) whether held directly by or to the order of the relevant Chargor or by a trustee, custodian, fiduciary, clearance system or nominee on its behalf (including all rights against any such trustee, custodian, fiduciary, clearance system or nominee)

LPA means the Law of Property Act 1925

Party means a party to this Deed

Permitted Security means any Security arising under:

- (a) any liens arising by operation of law and in the ordinary course of a Chargor's business and not as a result of any default or omission by a Chargor;
- (b) any normal title retention arrangements included in a supplier's standard conditions of supply of goods acquired by a Chargor in the ordinary course of trade;
- (c) any netting or set-off arrangement entered into by a Chargor in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances; and
- (d) any Security created or outstanding with the Security Trustees' prior written consent.

Premises means any building on or forming part of a Secured Property

Properties means the properties listed in Schedule 2 (Properties)

Receiver means any receiver, receiver and manager or administrative receiver of any Chargor or the whole or any part of any of the Charged Property and includes any appointee made under a joint or several appointment

Related Rights means, in respect of any asset:

- (a) all monies, amounts and proceeds paid or payable in respect of (or derived from) that asset (whether as income, capital or otherwise)
- (b) in the case of an Investment or Secured Share, all shares, investments or other assets derived from that Investment or Secured Share and all dividends, interest and other moneys payable in respect of such Investment or Secured Share (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise)
- (c) all rights in respect of, derived from or incidental to that asset (including all rights to make any demand or claim)
- (d) all powers, remedies, causes of action, guarantees, indemnities, security or other collateral in respect of, or derived from, that asset (or any of them)
- (e) the benefit of any judgment or order to pay a sum of money and all rights of enforcement in respect of that asset and

- (f) in the case of a Secured Property, the benefit of any covenants for title given or entered into by any predecessor in title of the relevant Chargor in respect of that Secured Property or any moneys paid or payable in respect of those covenants

Relevant Policies means all Insurance Policies (other than policies in respect of third party liability) together with all monies payable in respect of those policies

Secured Liabilities means in respect of any Chargor all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of that Chargor to any Secured Party under one or more Finance Document or in any other way.

Secured Parties means each of the Security Trustees, persons entitled to the Deferred Consideration (as defined in the SPA) and their permitted transferees, successors and assigns

Secured Property means at any time the Properties and all other freehold, leasehold or commonhold property which is subject to (or expressed to be subject to) any Security created (or expressed to be created) by, under or supplemental to this Deed

Secured Shares means, in respect of a Chargor, all shares present and future held by it in any member of another Chargor

Security mean 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

Security Period means the period beginning on the date of this Deed and ending on the date on which the Security Trustees are satisfied that the Secured Liabilities have been irrevocably and unconditionally satisfied and discharged in full and all facilities made available by the Secured Parties (or any of them) under the Finance Documents (or any of them) have been cancelled and no Secured Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to any Chargor or any other person under any of the Finance Documents

Security Trust Deed means the security trust deed dated on the date of this Deed and made between the Security Trustees and the Secured Parties (as at the date of this Deed)

SPA means a share purchase agreement made to be made on or around the date of this Debenture between Baden Sonley (1) Virginija Petrailyte (2) Scott Chapman (3) Paul Spencer (4) and the Company (5) setting out the terms of the purchase by the Company of the entire issued share capital of Hallmark Group Holdings Limited

1.2 Interpretation

In this Deed the term **disposal** includes a sale, transfer assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and **dispose** will be construed accordingly.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in any Finance Document, 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 save that each Secured Party may enforce any right for his or her benefit under this guarantee

- (b) otherwise notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to vary this Deed at any time.
- (c) Any Receiver or Delegate may enforce and enjoy the benefit of any clause which expressly confers rights on it, subject to clause 1.3(b) and the provisions of the Contracts (Rights of Third Parties) Act 1999.

1.4 Administration

- (a) Any reference in this Deed, or any other Finance Document entered into under or in connection with it, to the making of an administration order shall be treated as including a reference to the appointment of an administrator under paragraph 14 (by the holder of a qualifying floating charge in respect of a Chargor's assets) or 22 (by a Chargor or the directors of a Chargor) of Schedule B1 to the Insolvency Act 1986 or any steps taken toward such order or appointment.
- (b) Any reference in this Deed or any other Finance Document entered into under or in connection with it, to making an application for an administration order by petition shall be treated as including a reference to making an administration application to the court under Schedule B1 to the Insolvency Act 1986, appointing an administrator under paragraph 14 or 22 of that Schedule, or giving notice under paragraphs 15 or 26 of that Schedule of intention to appoint an administrator or any steps taken towards such application or notice.

1.5 Incorporated terms

The terms of the Finance Documents and of any other agreement or instrument relating to the Finance Documents and the Secured Liabilities are incorporated into this Deed and each other Finance Document to the extent required to ensure that any purported disposition, or any agreement for the disposition of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Property

A reference in this Deed to a mortgage, assignment or charge of any Secured Property includes:

- (a) all Premises on or forming part of that Secured Property; and
- (b) all Fixtures on or forming part of that Secured Property; and
- (c) all Related Rights relating to that Secured Property.

1.7 Present and future assets

- (a) A reference in this Deed to any **Secured Property, Charged Property** or other asset includes all present and future **Secured Property, Charged Property** and other assets.

- (b) The absence of or incomplete details of any Charged Property in any Schedule shall not affect the validity or enforceability of any Security under this Deed.

1.8 Fixed security

Clauses 3.2 (First legal mortgages) to 3.4 (First fixed charges) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment by way of security over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage, fixed charge or assignment by way of security (whether arising out of this Deed or any act or omission by any party) on any one asset shall not affect the nature of any mortgage, fixed charge or assignment by way of security imposed on any other asset whether within that same class of assets or not.

1.9 No obligations

The Security Trustees shall not be under any obligation in relation to the Charged Property as a consequence of this Deed and each Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Charged Property.

2 Covenant to pay

Each Chargor covenants with the Security Trustees as security trustees for the Secured Parties, to pay and discharge the Secured Liabilities when they become due for payment and discharge in accordance with the terms of the Finance Documents.

3 Charging provisions

3.1 General

All Security created by a Chargor under this Deed is:

- (a) a continuing security for the payment and discharge of the Secured Liabilities;
- (b) granted with full title guarantee; and
- (c) granted in favour of the Security Trustees as security trustee for the Secured Parties and the Security Trustees shall hold the benefit of this Deed and the Security created by or pursuant to it on trust for the Secured Parties.

3.2 First legal mortgages

Each Chargor charges by way of first legal mortgage its Properties.

3.3 Assignments

- (a) Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption all of its rights, title and interest from time to time under or in respect of:
 - (i) any proceeds of sale of its Secured Property and all other sums, payable under any lease of its Property;
 - (ii) the Relevant Policies to which it is a party;

- (iii) each Account, any amount standing to the credit of each Account and the debt represented by each Account;
- (iv) each and every sum from time to time paid or payable by any Chargor to a Chargor;

together with, in each case, all other Related Rights thereto.

- (b) Each Chargor shall remain liable to perform all its obligations each Relevant Policy to which it is a party.
- (c) Notwithstanding the other terms of this clause 3.3, prior to the occurrence of an Event of Default which is continuing, each Chargor may, subject to the other terms of the Finance Documents, continue to exercise all and any of its rights under and in connection with the Relevant Agreements.

3.4 First fixed charges

Each Chargor charges by way of first fixed charge all of its rights, title and interest from time to time in and to:

- (a) all interests and estates in any freehold, leasehold or commonhold property now or subsequently owned by it (other than any freehold, leasehold or commonhold property effectively charged by way of legal mortgage under clause 3.2);
- (b) all licences to enter or use any Secured Property;
- (c) the benefit of all other agreements, instruments and rights relating to its Secured Property;
- (d) all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, fittings, equipment and tools and any removals or replacement of them, (excluding any for the time being forming part of a Chargor's stock in trade or work in progress) (together **Chattels**) present and future and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them;
- (e) the Secured Shares;
- (f) the Investments;
- (g) all of its book and other debts and monetary claims and their proceeds (both collected and uncollected) (together **Debts**);
- (h) each Account, all monies from time to time standing to the credit of each Account and the debt represented by each Account;
- (i) all its Intellectual Property;
- (j) all its goodwill and uncalled capital;
- (k) (other than to the extent effectively assigned under clause 3.3) the Relevant Policies;

- (l) to the extent that any assignment in clause 3.3 is ineffective as an assignment, the assets referred to in that clause,

together with, in each case, all other Related Rights thereto.

3.5 Floating charge

- (a) Each Chargor charges by way of first floating charge all its assets and undertaking wherever located both present and future.
- (b) The floating charge created by clause 3.5(a) shall be deferred in point of priority to all fixed Security validly and effectively created by the relevant Chargor under the Finance Documents in favour of the Security Trustees (as trustee for the Secured Parties) as security for the Secured Liabilities.

3.6 Qualifying floating charge

This Deed contains a qualifying floating charge and paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or under this Deed.

3.7 Conversion of floating charge to a fixed charge

The Security Trustees may at any time by notice in writing to any Chargor convert the floating charge created under clause 3.5 into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if:

- (a) an Event of Default is continuing; or
- (b) in the opinion of the Security Trustees that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset.

3.8 Automatic conversion of floating charge to a fixed charge

If (unless permitted in writing in advance by the Security Trustees):

- (a) a Chargor creates or attempts to create any Security over any of its Floating Charge Assets;
- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset (or any analogous procedure or step is taken in any jurisdiction); or
- (c) any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of any Chargor or the appointment of any Receiver or administrator with respect to any Chargor or any Charged Property (or any analogous procedure or step is taken in any jurisdiction),

the floating charge created by this Deed will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3.8(c), over all of the Floating Charge Assets.

3.9 Small company moratorium

The floating charge created by clause 3.5 may not be converted into a fixed charge solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium,

under section A1 of the Insolvency Act 1986.

4 Effectiveness of security

4.1 Continuing security

The Security constituted by this Deed shall be continuing security and shall remain in full force and effect unless and until discharged by the Security Trustees in writing and regardless of any intermediate payment, discharge or satisfaction by any Chargor or any other person of the whole or any part of the Secured Liabilities.

4.2 No prejudice

The Security created by or pursuant to this Deed shall not be prejudiced by any enforceability or invalidity of any other agreement or document or by the time or indulgence granted to any Chargor or any other person, by the Security Trustees (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by variation or the terms of the trust upon which the Security Trustees holds the Security or by any other thing which might otherwise prejudice that Security.

4.3 Cumulative rights

- (a) The Security constituted by this Deed shall be cumulative, in addition to and independent of any other Security which any Secured Party may hold at any time for the Secured Liabilities (or any of them) or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security.
- (b) No prior Security held by the Security Trustees (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge into the Security constituted by this Deed.

4.4 Waiver of defences

The obligations of, and the Security created by, each Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this clause 4.4, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Chargor or other person;
- (b) the release of any other Chargor or any other person under the terms of any composition or arrangement with any creditor of any Chargor;

- (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 Chargor or 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 a Chargor 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;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

4.5 Chargor intent

Without prejudice to the generality of clause 4.4, each Chargor expressly confirms that it intends that the Security created under the Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents.

4.6 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

4.7 Deferral of rights

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

- (a) to be indemnified by a Chargor;
- (b) to claim any contribution from any other guarantor of any Chargor's obligations under this Deed;
- (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 this Deed or of any other guarantee or Security taken pursuant to, or in connection with, this Deed by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which any Chargor has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Chargor; and/or
- (f) to claim or prove as a creditor of any Chargor in competition with any Secured Party.

If any 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 any Secured Party by the Chargors under or in connection with this Deed to be repaid in full on trust for the Security Trustees and shall promptly pay or transfer the same to the Security Trustees or as the Security Trustees may direct for application in accordance with clause 15 (Application of monies).

5 Negative pledge

Save for the Permitted Security no Chargor shall create or permit to subsist any Security over any of its assets.

6 Restrictions on disposals

6.1 No Chargor shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of all or any part of any Charged Property.

6.2 Clause 6.1 does not apply to, in the ordinary course of business, Charged Property that is only subject to an uncrystallised floating charge.

7 Further assurance

7.1 Each Chargor shall promptly, at its own expense, take all such action (including filings, registrations, notarisations and applying for relief against forfeiture) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustees or a Receiver may reasonably specify (and in such form as the Security Trustees may require) in favour of the Security Trustees or its nominee(s):

- (a) to create, perfect, protect and/or maintain the Security created or intended to be created under or evidenced by this Deed (which may include the execution by any Chargor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Property) or for the exercise of any rights, powers and remedies of the Security Trustees, the Secured Parties or any Receiver provided by or pursuant to this Deed or by law;
- (b) to confer on the Security Trustees or confer on the Secured Parties 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) (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this Deed.

7.2 Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustees or the Secured Parties by or pursuant to this Deed.

8 Land Registry

8.1 Application for restriction

- (a) Each Chargor hereby consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship Register of any registered land at any time forming part of the Secured 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 [DATE] in favour of [the Security Trustees]] referred to in the charges register or their conveyancer."

- (b) Each Chargor confirms that so far as any of its Secured Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003.

9 Undertakings

Each Chargor undertakes to the Security Trustees in accordance with this clause 9. The undertakings in this clause 9 shall remain in force during the Security Period.

9.1 Chattels

- (a) It will keep all Chattels comprised in its Charged Property in good and substantial repair and in good working order and condition.
- (b) It shall repair any defect or damage to any of its Chattels promptly and if it fails to do so the Security Trustees may, but shall not be obliged to, do so.

9.2 Insurance

If a Chargor shall be in default of effecting or maintaining insurances or in producing any such policy or receipt to the Security Trustees on demand, the Security Trustees may take out or renew such insurances in any sum which the Security Trustees may think expedient and all monies expended and costs incurred by the Security Trustees under this provision shall be for the account of any such Chargor.

9.3 Book and other debts

It shall collect and realise the Debts in the ordinary course of trading.

9.4 General undertaking

It shall not wilfully do or wilfully cause or wilfully permit to be done anything which may in any way materially depreciate, jeopardise or otherwise prejudice the value to the Secured Parties of the Security created by or under this Deed.

10 Power to remedy

- 10.1 If a Chargor fails to comply with any of the undertakings set out in clause 9 (Undertakings), it shall allow and irrevocably authorises the Security Trustees and/or such persons as it shall

nominate to take such action on behalf of that Chargor as shall be necessary to ensure that it complies with those undertakings.

10.2 If any Chargor fails to perform any obligation or other covenant affecting the Secured Property or other Charged Property, each Chargor shall permit the Security Trustees or their agents and contractors:

- (a) to enter on the Secured Property;
- (b) to comply with or object to any notice served on any Chargor relating to the Secured Property or other Charged Property; and
- (c) to take any action the Security Trustees may reasonably consider expedient to prevent or remedy any breach of any such term or to comply with or object to any such notice.

10.3 Each Chargor shall within 3 Business Days of demand indemnify the Security Trustees against any cost, loss or liability incurred by it in taking any of the steps referred to in this clause 10.

11 Security power of attorney

Each Chargor, by way of security, irrevocably and severally appoints the Security Trustees, each Receiver and any of their delegates or sub-delegates to be its attorney with the full power and authority of such Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary or appropriate for carrying out any obligation of the Chargor under or pursuant to this Deed or generally for enabling the Security Trustees or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this clause.

12 Enforcement of security

12.1 When security is enforceable

On the occurrence of any Event of Default which is continuing, the Security created by and under this Deed is immediately enforceable.

12.2 Acts of enforcement

The Security Trustees may, at its absolute discretion, at any time after the Security created by or under this Deed is enforceable:

- (a) enforce all or any part of the Security created by or under this Deed in any manner and on the terms it sees fit;
- (b) exercise its rights and powers conferred upon mortgagees by the LPA, as varied and extended by this Deed, and rights and powers conferred on a Receiver by this Deed, whether or not it has taken possession or appointed a Receiver to any of the Charged Property;
- (c) appoint a Receiver to all or any part of the Charged Property;

- (d) appoint an administrator in respect of any Chargor and take any steps to do so;
- (e) exercise its power of sale under section 101 of the LPA (as amended by this Deed); or
- (f) if permitted by law, appoint an administrative receiver in respect of any Chargor.

12.3 Right of appropriation

- (a) To the extent that the Security created by this Deed constitutes a "security financial collateral arrangement" and the Charged Property constitute "financial collateral" for the purpose of the Financial Collateral Arrangements (No 2) Regulations 2003 (**Regulations**), the Security Trustees shall have the right at any time after the Security becomes enforceable, to appropriate all or any part of the Charged Property in or towards discharge of the Secured Liabilities.
- (b) The value of the appropriated Charged Property shall be:
 - (i) in the case of cash, the amount of cash appropriated, together with any accrued but unposted interest at the time of appropriation; and
 - (ii) in the case of Secured Shares and Investments, determined by the Security Trustees by reference to any available publicly available market price or by such other means as the Security Trustees (acting reasonably) may select including, without limitation, an independent valuation.

In each case, for the purposes of the Regulations, each Chargor agrees that any such determination by the Security Trustees will constitute a valuation "in a commercially reasonable manner".

12.4 Statutory powers - general

- (a) 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.
- (b) Section 103 of the LPA (restricting the power of sale) and section 93 of the LPA (restricting the right of consolidation) do not apply to the Security constituted by or under this Deed.
- (c) The statutory powers of leasing conferred on the Security Trustees are extended so that, without the need to comply with any provision of section 99 or section 100 of the LPA, the Security Trustees are empowered to lease and make agreements for lease at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it may think fit.
- (d) Each Receiver and the Security Trustees are entitled to all the rights, powers, privileges and immunities conferred by the LPA and the Insolvency Act 1986 on mortgagees and receivers duly appointed under the LPA, except that section 103 of the LPA does not apply.

12.5 Contingencies

If the Security Trustees enforces the Security constituted by or under this Deed at a time when no amounts are due under the Finance Documents but at a time when amounts may or will

become so due, the Security Trustees (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

12.6 Mortgagee in possession - no liability

None of the Security Trustees, their nominee(s) nor any Receiver shall be liable, by reason of entering into possession of any Charged Property, to account as a mortgagee or mortgagee in possession or for any loss arising by reason of taking any action permitted by this Deed or any neglect, default or omission in connection with the Charged Property or taking possession of or realising all or any part of the Charged Property.

12.7 Redemption of prior mortgages

- (a) At any time after the Security created by or under this Deed has become enforceable, the Security Trustees may:
 - (i) redeem any prior form of Security over any Charged Property;
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargors.
- (b) The Chargors must pay to the Security Trustees, immediately on demand, the costs and expenses incurred by the Security Trustees in connection with any such redemption and/or transfer, including the payment of any principal or interest.

12.8 Secured Shares and Investments – following an Event of Default

- (a) If an Event of Default is continuing, each Chargor shall on request by the Security Trustees:
 - (i) deliver to the Security Trustees such pre-stamped stock transfer forms or other transfer documents as the Security Trustees may require to enable the Security Trustees or their nominee or nominees to be registered as the owner of, and to obtain legal and beneficial title to, the Secured Shares, the Investments and/or Related Rights referred to in such request;
 - (ii) provide to the Security Trustees certified copies of all resolutions and authorisations approving the execution of such transfer forms and registration of such transfers as the Security Trustees may reasonably require;
 - (iii) procure that each such transfer is promptly registered by the relevant company or other entity;
 - (iv) procure that, immediately on their issue, all share certificates or other documents of title in the appropriate form, in respect of the relevant Secured Shares, Investments and/or Related Rights, are delivered to the Security Trustees in each case showing the registered holder as the Security Trustees or their nominee or nominees (as applicable); and

- (v) exercise all voting rights in respect of its Secured Shares, Investments and Related Rights only in accordance with the instructions of the Security Trustees.
- (b) At any time while an Event of Default is continuing, the Security Trustees may complete any transfer documents held by it in respect of the Secured Shares, the Investments and/or the Related Rights in favour of themselves or such other person or nominee as they shall select.
- (c) At any time after the Security created by or under this Deed has become enforceable the Security Trustee and their nominee or nominees may sell all or any of the Secured Shares, Investments or Related Rights of the Chargors (or any of them) in any manner permitted by law and on such terms as the Security Trustees shall in their absolute discretion determine.
- (d) If any Chargor receives any dividends, distributions or other monies in respect of its Secured Shares, Investments and Related Rights at a time when the Security Trustees has made a request under clause 12.8(a) or taken any steps to enforce the Security created by or under this Deed under clause 12.2, the relevant Chargor shall immediately pay such sums received directly to the Security Trustees for application in accordance with clause 15 (Application of monies) and shall hold all such sums on trust for the Security Trustees pending payment of them to such account as the Security Trustees shall direct.

13 Receiver

13.1 Appointment of Receiver

- (a)
 - (i) At any time after any Security created by or under this Deed is enforceable, the Security Trustees may appoint a Receiver to all or any part of the Charged Property in accordance with clause 12.2(c) (Acts of enforcement).
 - (ii) At any time, if so requested in writing by any Chargor, without further notice, the Security Trustees may appoint a Receiver to all or any part of the Charged Property as if the Security Trustees had become entitled under the LPA to exercise the power of sale conferred under the LPA.
- (b) Any appointment under clause 13.1(a) may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed.
- (d) Any Receiver appointed under this Deed shall be deemed to be the agent of the relevant Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA. That Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

- (e) In no circumstances whatsoever shall the Security Trustees or any Secured Party be liable (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason nor be in any way responsible for any misconduct, negligence or default of the Receiver.
- (f) Where a Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986:
 - (i) obtaining a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986,
 shall not be grounds for appointment of a Receiver.
- (g) The Security Trustees may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Charged Property if the Security Trustees is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

13.2 Removal

The Security Trustees may by written notice (subject to any requirement for an order of the court in the case of an administrative receiver) remove from time to time any Receiver appointed by it and may, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated.

13.3 Powers of Receiver

- (a) **General**
 - (i) A Receiver has all of the rights, powers and discretions set out below in this clause 13.3 in addition to those conferred on it by the LPA.
 - (ii) A Receiver shall have all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the receiver is an administrative receiver).
 - (iii) A Receiver may, in the name of any Chargor:
 - (A) do all other acts and things which he may consider expedient for realising any Charged Property; and
 - (B) exercise in relation to any Charged Property all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.
 - (iv) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.

(b) **Borrow money**

A Receiver may raise and borrow money (either unsecured or on the security of any Charged Property, either in priority to the Security constituted by this Deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

(c) **Carry on business**

A Receiver may carry on any business of any relevant Chargor as he thinks.

(d) **Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of any relevant Chargor or relating in any way to any Charged Property.

(e) **Delegation**

A Receiver may delegate his powers in accordance with clause 14 (Delegation).

(f) **Lending**

A Receiver may lend money or advance credit to any person.

(g) **Employees**

For the purposes of this Deed, a Receiver as he thinks appropriate, on behalf of the relevant Chargor or for itself as Receiver, may:

- (i) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and
- (ii) discharge any such persons appointed by the relevant Chargor.

(h) **Leases**

A Receiver may let any Charged Property for any term and at any rent (with or without a premium) which he thinks proper and may accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

(i) **Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the relevant Chargor in relation to any Charged Property as he considers expedient.

(j) **Possession**

A Receiver may take immediate possession of, get in and collect any Charged Property.

(k) **Protection of assets**

A Receiver may, in each case as he may think fit:

- (i) make and effect all repairs and insurances and do any and all other acts which the relevant Chargor might do in the ordinary conduct of its business be they for the protection or for the improvement of the Charged Property;
- (ii) commence and/or complete any building operations; and
- (iii) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence or any other authorisation.

(l) **Receipts**

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

(m) **Sale of assets**

- (i) A Receiver may sell, exchange, convert into monies and realise any Charged Property by public auction or private contract in any manner and on any terms which he thinks proper.
- (ii) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit.
- (iii) Fixtures and any plant and machinery annexed to any part of the Secured Property may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

(n) **Subsidiaries**

A Receiver may form a subsidiary of the relevant Chargor and transfer to that subsidiary any Charged Property.

(o) **Deal with Charged Property**

A Receiver may, without restriction sell, let or lease, or concur in selling, letting or leasing, or vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over or otherwise dispose of or deal with, all or any part of the Charged Property without being responsible for loss or damage, and so that any such sale, lease or disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration. The Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase, lease, licence or otherwise acquire interests in all or any of the Charged Property or otherwise, arrange for such companies to trade or cease to trade and to purchase,

lease, license or otherwise acquire all or any of the Charged Property on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

(p) Voting rights

A Receiver may exercise all voting and other rights attaching to the Investments, Secured Shares, Related Rights, and stocks, shares and other securities owned by that Chargor and comprised in the Charged Property in such manner as he may think fit.

(q) Security

A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on that Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver.

(r) Acquire land

The Receiver may purchase or acquire any land and purchase, acquire or grant any interest in or right over land.

(s) Development

A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on, any real property comprised in the Secured Property and do all acts and things incidental to the Secured Property.

(t) Landlord's obligations

A Receiver may on behalf of a Chargor and without consent of or notice to that Chargor exercise all the powers conferred on a landlord or a tenant by the Landlord and Tenants Acts, the Rents Acts and Housing Acts or any other legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Secured Property.

(u) Uncalled capital

A Receiver may make calls conditionally or unconditionally on the members of any relevant Chargor in respect of uncalled capital.

(v) Incidental matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property and to use the name of the relevant Chargor for all the purposes set out in this clause 13.

13.4 Remuneration

The Security Trustees may from time to time fix the remuneration of any Receiver appointed by them.

14 Delegation

14.1 The Security Trustees and any Receiver may, at any time, delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Trustees or that Receiver (as appropriate) under this Deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) and subject to any restrictions as the Security Trustees or that Receiver (as appropriate) may think fit.

14.2 Neither the Security Trustees nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

15 Application of monies

15.1 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the LPA shall not apply to a Receiver appointed under this Deed.

15.2 All monies from time to time received or recovered by the Security Trustees or any Receiver under this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Trustees and shall be applied in the following order:

- (a) in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Security Trustees (and any Receiver, Delegate, attorney or agent appointed by them) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in or towards payment of the Secured Liabilities in any order and manner that the Security Trustees determines; and
- (c) in payment of the surplus (if any) to the Chargor or other person entitled to it.

15.3 The Security Trustees and any Receiver may place any money received, recovered or realised pursuant to this Deed in an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Liabilities.

16 Expenses and indemnity

Each Chargor must:

- (a) immediately on demand pay to each Secured Party and the Security Trustees the amount of all costs and expenses (including legal fees) incurred by that Secured Party and the Security Trustees in connection with the enforcement or amendment of this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- (b) keep each Secured Party and the Security Trustees indemnified against any failure or delay in paying those costs or expenses.

17 Remedies and waivers

- 17.1 No failure to exercise, nor any delay in exercising, on the part of the Security Trustees or any Receiver, any right or remedy under this Deed shall operate as a waiver of any such right of remedy, 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 in this Deed are cumulative and not exclusive of any rights or remedies provided by law.
- 17.2 A waiver given or consent granted by the Security Trustees or any Receiver 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.

18 Protection of third parties

- 18.1 No person (including a purchaser) dealing with the Security Trustees or a Receiver or its or his agents has an obligation to enquire:
- (a) whether the Secured Liabilities have become payable;
 - (b) whether any power purported to be exercised has become exercisable or is being properly exercised;
 - (c) whether any Secured Liabilities or other monies remain outstanding;
 - (d) how any monies paid to the Security Trustees or to the Receiver shall be applied; or
 - (e) the status, propriety or validity of the acts of the Receiver or Security Trustees.
- 18.2 The receipt of the Security Trustees or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Trustees or any Receiver.
- 18.3 In clauses 18.1 and 18.2, **purchaser** includes any person acquiring, for money or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Charged Property or any of them.

19 Settlements conditional

- 19.1 If the Security Trustees (acting reasonably) believes that any amount paid by a Chargor or any other person in respect of the Secured Liabilities is capable of being avoided or set aside for any reason, then for the purposes of this Deed, such amount shall not be considered to have been paid.
- 19.2 Any settlement, discharge or release between a Chargor and any Secured Party shall be conditional upon no Security or payment to or for that Secured Party by that Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

20 Subsequent Security

- 20.1 If any subsequent charge or other interest affects any Charged Property, a Secured Party may open a new account with the Chargor.

20.2 If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

20.3 As from that time all payments made to that Secured Party will be credited or to be treated as having been credited to the new account and will not operate to reduce any Secured Liabilities.

21 Set-off

A Secured Party may set off any matured obligation due from a Chargor under the Finance Documents (to the extent beneficially owned by that Secured Party) against any matured obligation owed by that Secured Party to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange for the purpose of the set-off.

22 Notices

22.1 Any notice or other communication given to a party under or in connection with this Deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service; and
- (c) sent to:
 - (i) a Chargor, to its address set out in Schedule 1 for the attention of the person set out therein.
 - (ii) the Security Trustees, to the addresses set out at the front of this Deedor to any other address as is notified in writing by one party to the other from time to time.

22.2 Any notice or other communication that the Security Trustees gives to a Chargor shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address; and
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.

A notice or other communication given as described in clause 22.2(a) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

22.3 Any notice or other communication given to the Security Trustees shall be deemed to have been received only on actual receipt.

22.4 This clause 22 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

- 22.5 A notice or other communication given under or in connection with this Deed is not valid if sent by email.

23 Invalidity

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

24 Changes to Security Trustees

- 24.1 The Security Trustees may at any time appoint (and remove) any person to act as a further Security Trustee in accordance with the Security Trust Deed and the Security Trustees shall give notice to each Guarantor of that appointment (or removal) as soon as is reasonably practicable after such appointment
- 24.2 Any person so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Security Trustees under or in connection with the Finance Documents) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.
- 24.3 In the event that a Security Trustee should die, then he shall cease to be a Security Trustee and the surviving Security Trustees may appoint a further Security Trustee in his place in accordance with the Security Trust Deed.

25 Assignment

No party may assign or otherwise transfer all or any part of its rights under this Deed or any Security created by or under it save that for the avoidance of doubt nothing in this clause shall prevent any change in Security Trustees pursuant to this Deed or the Security Trust Deed.

26 Releases

Upon the expiry of the Security Period, the Security Trustees shall, at the request and cost of the Chargors, take whatever action is necessary to release and reassign to each relevant Chargor:

- (a) its rights arising under this Deed; and
- (b) the Charged Property from the Security created by and under this Deed.

27 Certificates and determinations

Any certification or determination by a Secured Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

28 Counterparts

This Deed or any Finance Document entered into under or in connection with this Deed may be executed in any number of counterparts, and by each party on separate counterparts.

29 Governing law

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

30 Enforcement

30.1 Jurisdiction of English courts

- (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) (**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) This clause 30 is for the benefit of the Security Trustees. As a result, the Security Trustees shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustees may take concurrent proceedings in any number of jurisdictions.

30.2 Each Chargor irrevocably consents to any process in any legal action or proceedings under this clause 30 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

This Deed has been signed on by the Security Trustees and executed as a deed by each Chargor and is delivered on the date given at the beginning of this Deed. It is intended by the parties to this Deed that this Deed will take effect as a deed notwithstanding that the Security Trustees may only execute it under hand.

Schedule 1

Chargors

Name	Registered number	Registered office address and address for service
Hallmark Door Systems Group Limited	13202511	Valletta House, Valletta Street, Hull, England, HU9 5NP
Hallmark Group Holdings Limited	10234159	Valletta House Valletta Street, Hedon Road, Hull, East Yorkshire, United Kingdom, HU9 5NP
Hallmark Group Products Limited	04143189	Valletta House, Valletta Street, Hedon Road Hull, East Yorkshire, HU9 5NP
Fortrace Limited	02556377	Valletta House Valletta Street, Hedon Road, Hull, East Yorkshire, England, HU9 5NP
Hallmark Doors Limited	08058659	Valletta House Valletta Street, Hedon Road, Hull, HU9 5NP
Hallmark Panels Limited	03024981	Valletta House, Valletta Street Hedon Road, Hull, East Yorkshire, HU9 5NP
Laminated Supplies Limited	00791635	Valletta Street, Hedon Road, Hull, HU9 5NP
Toughened Glass Solutions Limited	09060044	Valletta House Valletta Street, Hedon Road, Hull, HU9 5NP
Valletta Surplus Limited	07992064	Valletta House Valletta Street, Hedon Road, Hull, HU9 5NP

Schedule 2

Properties

Registered Land

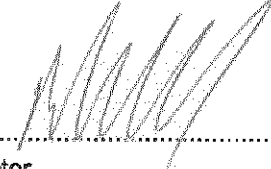
Chargor	Country and District (or Address or Description and (if applicable) London Borough)	Title number
----------------	---	---------------------


Unregistered Land


EXECUTION

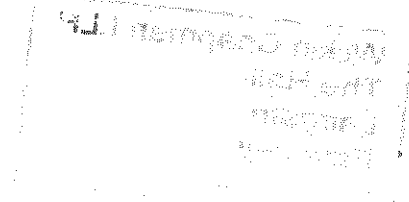
Chargors

Executed as a deed by
Hallmark Door Systems Group Limited
acting by a director in the presence of

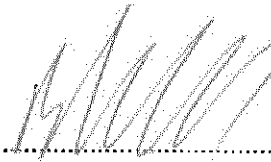
) 
)
) Director


.....
Signature of witness


Name 
Address **Wilkin Chapman LLP**
..... **The Hall**
..... **Lairgate**
..... **Beverley**
..... **HU17 8HL**

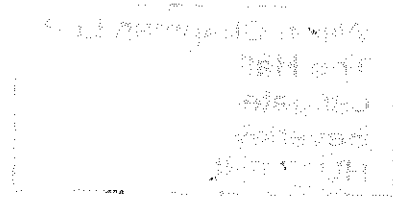


Executed as a deed by
Hallmark Group Holdings Limited
acting by a director in the presence of

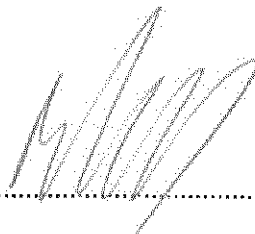
) 
)
) Director



.....
Signature of witness


Name 
Address **Wilkin Chapman LLP**
..... **The Hall**
..... **Lairgate**
..... **Beverley**
..... **HU17 8HL**



Executed as a deed by
Hallmark Group Products Limited
acting by a director in the presence of

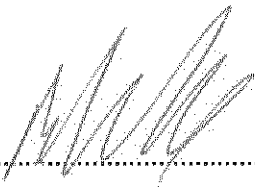
) 
)
) Director


.....
Signature of witness

Name 
Address **Wilkin Chapman LLP**
..... **The Hall**
..... **Lairgate**
..... **Beverley**
..... **HU17 8HL**

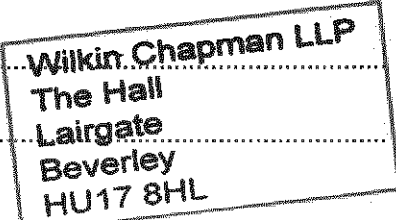


Executed as a deed by
Fortrace Limited
acting by a director in the presence of

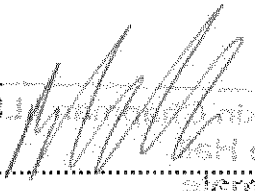
) 
)
) Director

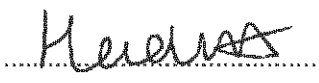

.....
Signature of witness

Name Heidi Morris

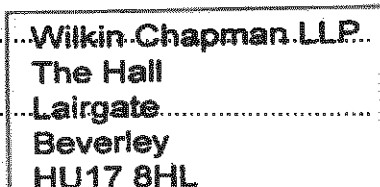
Address

.....

Executed as a deed by
Hallmark Doors Limited
acting by a director in the presence of

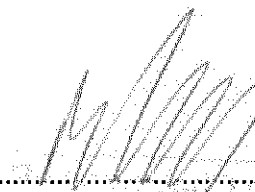
) 
)
) Director


.....
Signature of witness

Name Heidi Morris

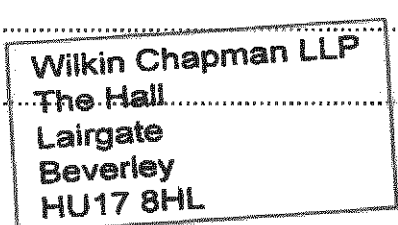
Address

.....

Executed as a deed by
Hallmark Panels Limited
acting by a director in the presence of

) 
)
) Director


.....
Signature of witness

Name Heidi Morris

Address

.....

) 
)
) Director

) _____
) _____
) Director

Name Heidi Morris

Director

Name Heidi Marie

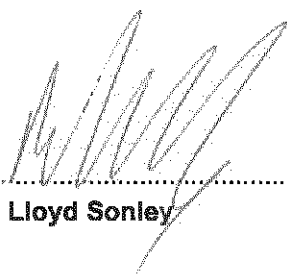
Director

Name Heidi Morris

31

The Security Trustees

Executed as a deed by
Baden Lloyd Sonley
in the presence of:

) 
)
) **Baden Lloyd Sonley**


.....
Signature of witness

Name Heidi Morris

Address
.....

Wilkin Chapman LLP
The Hall
Lairgate
Beverley
HU17 8HL

Wilkin Chapman LLP
The Hall
Lairgate
Beverley
HU17 8HL

Executed as a deed by
Virginija Petraityte
in the presence of:

) 
)
) **Virginija Petraityte**


.....
Signature of witness

Name Heidi Morris

Address
.....

Wilkin Chapman LLP
The Hall
Lairgate
Beverley
HU17 8HL

Wilkin Chapman LLP
The Hall
Lairgate
Beverley
HU17 8HL

Wilkin Chapman LLP
The Hall
Lairgate
Beverley
HU17 8HL