



**Registration of a Charge**

Company Name: **RYGOR MAXUS LIMITED**

Company Number: **13386403**



Received for filing in Electronic Format on the: **18/11/2022**

XBH0HNA2

**Details of Charge**

Date of creation: **09/11/2022**

Charge code: **1338 6403 0002**

Persons entitled: **GRAHAM DRAKE  
TIM STACEY  
PAUL REED**

Brief description: **ALL FREEHOLD AND LEASEHOLD LAND. SEE DEBENTURE FOR FURTHER DETAILS.**

**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:

**RWK GOODMAN**



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

Company number: 13386403

Charge code: 1338 6403 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th November 2022 and created by RYGOR MAXUS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th November 2022 .

Given at Companies House, Cardiff on 23rd November 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**

Junior debenture – deed of accession

## DEED OF ACCESSION

**THIS DEED** is made on

09 November 2022

### **BETWEEN:-**

- (1) The companies identified in schedule 1 (together the "**New Chargors**"), are companies incorporated in England or Wales whose registered offices are listed in schedule 1.
- (2) **RYGOR AUTO GROUP LIMITED** (the "**Company**") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) **Graham Drake, Tim Stacey and Paul Reed** as Sellers.

### **INTRODUCTION**

- (A) Each of the New Chargors will on the date of this Deed become wholly-owned Subsidiaries of the Company.
- (B) This Deed is supplemental to a deed dated 09 November 2022 (as supplemented and amended from time to time, the "**Debenture**") between the Company and Graham Drake, Tim Stacey and Paul Reed (as Sellers).
- (C) Each of the New Chargors at the request of the Company and in consideration of the Secured Parties making or continuing to make facilities available to each Company or any other member of its group has agreed to enter into this Deed and become the Chargors under the Debenture.

### **IT IS AGREED** as follows:-

#### **1. DEFINITIONS AND INTERPRETATION**

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.2 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

#### **2. ACCESSION**

Each of the New Chargors agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargors had been an original party to it as Chargors.

#### **3. SECURITY**

Each of the New Chargors mortgages, charges and assigns to the Lender all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 2 (*Land*);
- 3.2 the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 3 (*Shares*);

Junior debenture – deed of accession

3.3 the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 4 (*Assigned Insurances*); and

3.4 the Assigned Contracts assigned shall include the Assigned Contracts referred to in Schedule 5 (*Assigned Contracts*);

3.5 the Assigned Accounts assigned shall include the Assigned Accounts referred to in Schedule 6 (*Assigned Accounts*); and

3.6 the Blocked Accounts charged by way of fixed charge shall include those referred to in Schedule 7 (*Blocked Accounts*).

4. **CONSENT OF EXISTING CHARGORS**

The Company by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

5. **EFFECT ON DEBENTURE**

5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.

5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of each of the New Chargors mortgaged, charged or assigned to the Lender (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

6. **GOVERNING LAW**

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

**EXECUTED AS A DEED AND DELIVERED** on the date set out at the beginning of this Deed.

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**SCHEDULE 1 NEW CHARGORS**

<b>Company name</b>	<b>Company number</b>	<b>Registered Office</b>
Rygor Holdings Limited	06506121	The Broadway, West Wilts Trading Estate, Westbury, Wiltshire, BA13 4JX
Rygor Group Limited	00936467	The Broadway, West Wilts Trading Estate, Westbury, Wiltshire, BA13 4JX
Rygor Commercials Ltd	01884237	The Broadway, West Wilts Trading Estate, Westbury, Wiltshire, BA13 4HU
Rygor Group Services Limited	01884708	The Broadway, West Wilts Trading Estate, Westbury, Wiltshire, BA13 4HU
Rygor Maxus Limited	13386403	Rygor Group Ltd 23, Broadway North, West Wilts Trading Estate, Westbury, Wiltshire, England, BA13 4JX
Rygor Trucks Ltd	12475731	Rygor Group Ltd 23, Broadway North, West Wilts Trading Estate, Westbury, Wiltshire, England, BA13 4JX

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**SCHEDULE 2 LAND**

<b>Company</b>		<b>Property Address</b>	<b>Title Number(s)</b>
Rygor Limited	Group	Unit 13 Hambridge Business Centre, Hambridge Lane, Newbury RG14 5TU	BK393491
Rygor Limited	Group	Rygor Commercials, Hunts Rise, South Marston Industrial Estate, Swindon SN3 4TG	WT127516
Rygor Limited	Group	Land adjoining, South Marston Park, Swindon SN3 4TG	WT177921
Rygor Limited	Group	Site 5 Hunts Rise, South Marston Park, Swindon SN3 4TG	WT227016
Rygor Limited	Group	Site, 28 Link Road, West Wilts Trading Estate, Westbury (BA13 4JX)	WT276885
Rygor Limited	Group	Land on the north side of 31A Link Road, West Wilts Trading Estate, Westbury	WT227857
Rygor Limited	Group	Land on the south side of 28 Link Road, Westbury.	WT270264
Rygor Limited	Group	Land on the south side of 31a Link Road, West Wilts Trading Estate, Westbury	WT270225
Rygor Limited	Group	Site 23, Broadway North, West Wilts Trading Estate, Westbury (BA13 4JX)	WT276884
Rygor Limited	Group	Site, 31 Link Road, West Wilts Trading Estate, Westbury	WT276888
Rygor Limited	Group	Site, 32 Broadway North, West Wilts Trading Estate, Westbury (BA13 4JX))	WT276890
Rygor Limited	Group	Broadway House, Headquarters Road, West Wilts Trading Estate, Westbury Wiltshire BA13 4JY	WT169681

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**SCHEDULE 3 SHARES**

<b>Registered Holder</b>	<b>Name of Company in which shares are held</b>	<b>Name and number of shares</b>
Rygor Holdings Limited	Rygor Group Limited	250,000 Ordinary Shares of £1 each
Rygor Holdings Limited	Rygor Managed Services Limited	250,000 Ordinary Shares of £1 each
Rygor Holdings Limited	Rygor Maxus Limited	1 Ordinary Share of £1
Rygor Group Limited	Rygor Commercials Ltd	70,000 Ordinary Shares of £1 each
Rygor Group Limited	Rygor Group Services Limited	2 Ordinary Shares of £1 each
Rygor Group Limited	Rygor (Metz Way Gloucester) Holdings Limited	1 Ordinary Share of £1
Rygor Group Limited	Rygor Trucks Ltd	1 Ordinary Share of £1
Rygor Commercials Ltd	Mudie-Bond Limited	3,671,247 Ordinary Shares of £0.20 each



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**SCHEDULE 4 ASSIGNED INSURANCES**

**NONE AS AT THE DATE OF THIS DEED**

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**SCHEDULE 5 ASSIGNED CONTRACTS**

**NONE AS AT THE DATE OF THIS DEED**

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**SCHEDULE 6 ASSIGNED ACCOUNTS**

**NONE AS AT THE DATE OF THIS DEED**

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**SCHEDULE 7 BLOCKED ACCOUNTS**

**NONE AS AT THE DATE OF THIS DEED**

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**SIGNATURE PAGES TO DEED OF ACCESSION**

**THE NEW CHARGORS**

Executed as a deed by **John Keogh**, a director, for and on behalf of **Rygor Holdings Limited**, in the presence of:

DocuSigned by  
[Redacted]

9D8682D39DC564E5.....  
Signature of witness

I confirm that I was physically present when the above signatory signed this deed

**Sarah Conway**  
.....  
Name of witness

**Sarah Conway**  
.....

[Redacted]

Address of witness

[Redacted]

AABAA364748B40D.....  
I confirm that the witness named below was physically present when I signed this deed

Executed as a deed by **John Keogh**, a director, for and on behalf of **Rygor Group Limited**, in the presence of:

DocuSigned by  
[Redacted]

9D8682D39DC564E5.....  
Signature of witness

I confirm that I was physically present when the above signatory signed this deed

**Sarah Conway**  
.....  
Name of witness

**Sarah Conway**  
.....

[Redacted]

Address of witness

[Redacted]

AABAA364748B40D.....  
I confirm that the witness named below was physically present when I signed this deed

Junior debenture – deed of accession

Executed as a deed by John Keogh, a director, for and on behalf of **Rygor Commercials Ltd**, in the presence of:



Signature of witness

I confirm that I was physically present when the above signatory signed this deed

Sarah Conway

Name of witness

Sarah Conway



Address of witness



I confirm that the witness named below was physically present when I signed this deed

Executed as a deed by John Keogh, a director, for and on behalf of **Rygor Group Services Limited** in the presence of:



Signature of witness

I confirm that I was physically present when the above signatory signed this deed

Sarah Conway

Name of witness

Sarah Conway



Address of witness




I confirm that the witness named below was physically present when I signed this deed

Junior debenture – deed of accession

Executed as a deed by John Keogh, a  
director, for and on behalf of **Rygor  
Maxus Limited** in the presence of:



.....  
I confirm that the witness named below was  
physically present when I signed this deed



.....  
Signature of witness

I confirm that I was physically present when the  
above signatory signed this deed

**Sarah Conway**

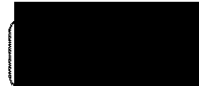
.....  
Name of witness

**Sarah Conway**



.....  
Address of witness

Executed as a deed by John Keogh, a  
director, for and on behalf of **Rygor  
Trucks Ltd**, in the presence of:



.....  
I confirm that the witness named below was  
physically present when I signed this deed



.....  
Signature of witness

I confirm that I was physically present when the  
above signatory signed this deed

**Sarah Conway**

.....  
Name of witness

**Sarah Conway**



.....  
Address of witness

Junior debenture – deed of accession

THE COMPANY

Executed as a deed by John Keogh, a director, for and on behalf of **Rygor Auto Group Limited**, in the presence of:

[Redacted signature]

9D882D39DC564E5...  
Signature of witness

I confirm that I was physically present when the above signatory signed this deed

**Sarah Conway**  
.....  
Name of witness

**Sarah Conway**  
.....

[Redacted address]

Address of witness

[Redacted signature]

AABAA864748B48D...  
I confirm that the witness named below was physically present when I signed this deed



Junior debenture – deed of accession

**THE SELLERS**

Executed as a deed by **Timothy Stacey**,  
in the presence of:

DocuSigned by:

[Redacted Signature]

A2D27BEB78434F5.....

**Signature of witness**

I confirm that I was physically present when the  
above signatory signed this deed

**Emma stacey**

.....  
Name of witness

[Redacted Name]

.....  
Address of witness

Executed as a deed by **Graham  
Drake**, in the presence of:

DocuSigned by:

[Redacted Signature]

1CC6506CB904479.....

**Signature of witness**

I confirm that I was physically present when  
the above signatory signed this deed

**Michelle Drake**

.....  
Name of witness

[Redacted Name]

.....  
Address of witness

DocuSigned by:

[Redacted Signature]

704BF5F900AA432.....

I confirm that the witness named below was  
physically present when I signed this deed

DocuSigned by:

[Redacted Signature]

7772D740C8E643B.....

I confirm that the witness named below  
was physically present when I signed this  
deed

Junior debenture – deed of accession

Executed as a deed by **Paul Reed**, in  
the presence of:

[Redacted signature]

.....9F2EDFCED2114P0.....

Signature of witness

I confirm that I was physically present when  
the above signatory signed this deed

**Samantha Rushton Reed**

.....

Name of witness

[Redacted address]

.....

Address of witness

[Redacted signature]

.....E8D092A023584P1.....

I confirm that the witness named below  
was physically present when I signed  
this deed

**DATED** 09 November  
2022

**(1) RYGOR AUTO GROUP LIMITED**

**and**

**(2) GRAHAM DRAKE, PAUL REED AND TIM STACEY**  
**(as Sellers)**

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**DEBENTURE**

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THIS DEED is made on

09 November 2022

**BETWEEN:-**

- (1) **RYGOR AUTO GROUP LIMITED** a company incorporated in England and Wales with registered number 14240330 whose registered office is at Unit E5, Telford Road, Bicester, England, OX26 4LD (the "**Original Chargor**"); and
- (2) **GRAHAM DRAKE** of The Beacon, Beacon Road, Minehead TA24 5SD, **PAUL REED** of The Barn, Nova Scotia Lane, Northwich, Whitegate CW8 2BZ and **TIM STACEY** of 75 Minster Way, Bath BA2 6RL (as **Sellers**).

**INTRODUCTION**

- (A) Under the terms of a share purchase agreement of even date between the Original Chargor and the Sellers (**SPA**), the Sellers have agreed to sell to the Original Chargor, their shares in Rygor Holdings Limited (CRN: 06506121).
- (B) It is a term of the SPA that part of the consideration due to the Sellers be satisfied by the issue of £6,000,000 secured loan notes 2032 issued by the Original Chargor (**Loan Notes**).
- (C) The Original Chargor has agreed to enter into this Deed to provide Security over its assets to the Sellers in respect of the liabilities and obligations owed to the Sellers under the Loan Notes.

**IT IS AGREED** as follows:-

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed:-

" <b>Account</b> "	means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts
" <b>Additional Chargor</b> "	any person who becomes a Chargor by executing a Deed of Accession
" <b>Assigned Contracts</b> "	means any contract (if any) specified in <b>Error! Reference source not found. (Assigned Contracts)</b>
" <b>Assigned Insurances</b> "	means the Insurances (if any) specified in Schedule 3 ( <i>Assigned Insurances</i> ) (including any renewal, substitution or replacement of such Insurance)
" <b>Blocked Account</b> "	means any other Account agreed by the Sellers and the Original Chargor in writing to be a Blocked

	Account
"Business Day"	means a day (other than a Saturday or a Sunday) on which banks are open for business in London
"Charged Account"	means:- <ul style="list-style-type: none"> <li>(a) the Accounts maintained by any Chargor and designated in writing as a Charged Account by the Sellers; and</li> <li>(b) any Blocked Accounts</li> </ul>
"Charging Entities"	Rygor Holdings Limited (CRN: 06506121), Rygor Group Limited (CRN: 00936467), Rygor Maxus Limited (CRN: 13386403), Rygor Commercials Ltd (CRN: 01884237), Rygor Group Services Limited (CRN: 01884708), Rygor Trucks Ltd (CRN: 12475731) and KHL
"Chargor"	means the Original Chargor or an Additional Chargor
"Deed of Accession"	means a deed substantially in the form of <b>Error! Reference source not found.</b> ( <i>Deed of Accession</i> ) executed, or to be executed, by a person becoming a Chargor;
"Default Rate"	means the rate specified in the Loan Note Instrument
"Deferred Consideration"	has the meaning given in the SPA
"Event of Default"	has the meaning given to that term in the Loan Note Instrument
"Group"	means the Original Chargor and each of its Subsidiaries from time to time
"ICA"	the intercreditor deed of even date between, among others, the Original Chargor, Shawbrook and the Sellers
"IF Obligor"	means Rygor Commercials Ltd (company number 01884237)
"Insurances"	means any contracts and policies of insurance or assurance taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties
"Intellectual Property"	means any of the following:- <ul style="list-style-type: none"> <li>(a) patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions,</li> </ul>

	confidential information, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and
	(b) all applications and rights to use such assets of any Chargor (which may now or in the future subsist)
<b>"KHL Target Shares"</b>	means 20 per cent. of the issued shares in Rygor Holdings Limited (CRN: 06506121), a company incorporated under the laws of England and Wales
<b>"KHL Target Shares Acquisition Agreement"</b>	means the share purchase agreement relating to the sale and purchase of the KHL Target Shares and made between the Original Chargor and KHL
<b>"KHL"</b>	Keogh Holdings Limited (CRN: 12858055)
<b>"Land"</b>	has the meaning given to that term in section 205(1) of the LPA but for these purposes <b>"Land"</b> excludes heritable property situated in Scotland
<b>"Loan Note Guarantee"</b>	means the corporate guarantee and indemnity dated on around the date of this Deed and made between the Sellers, the Original Chargor and certain other members of the Group
<b>"Loan Note Instrument"</b>	means the loan note instrument of the Original Chargor constituting £6,000,000 fixed rate secured loan notes 2032 and dated on or around the date of this Deed
<b>"LPA"</b>	means the Law of Property Act 1925
<b>"Monetary Claims"</b>	means, all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt
<b>"Party"</b>	means a party to this Deed
<b>"Permitted Disposal"</b>	means any sale, lease, licence, transfer or other disposal which is on arm's length terms (other than in relation to (b) below):- <ul style="list-style-type: none"> <li>(a) of trading stock or cash made by any member of the Group in the ordinary course of trading of the disposing entity;</li> <li>(b) of any asset by a Chargor to another Chargor (and provided that, if Security was</li> </ul>



granted over that asset before such disposal, the Chargor acquiring such asset grants equivalent Security);

- (c) of assets (other than shares, businesses, real property or Intellectual Property) in exchange for other assets comparable or superior as to type, value and quality;
- (d) of obsolete or redundant vehicles, plant and equipment for cash or in exchange for replacement assets of at least equal, equivalent or comparable value;
- (e) arising as a result of Permitted Security;
- (f) arising under the Receivables Finance Agreement in respect of the receivables and rights related thereto of the IF Obligor; or
- (g) with the prior written consent of the Sellers;
- (h) the sale and disposal by KHL of the KHL Target Shares to the Company pursuant to the KHL Target Shares Acquisition Agreement; or
- (i) of assets (other than shares, businesses, real property or Intellectual Property) for cash where the higher of the book value and net consideration receivable (when aggregated with the higher of the book value and net consideration receivable for any other sale, lease, licence, transfer or other disposal not allowed under the preceding paragraphs) does not exceed £100,000 (or its equivalent) in any financial year of the relevant Chargor

**"Permitted Security"** means:

- (a) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group but only so long as (i) such arrangement does not permit credit balances of Chargors to be netted or set off against debit balances of members of the Group which are not Chargors and (ii) such arrangement does not give rise to other Security over the assets of Chargors in support of liabilities of members of the Group which are not Obligors;
- (b) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any

member of the Group;

- (c) any Security created or arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect for goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group;
- (d) any Security granted to Shawbrook or an Affiliate of Shawbrook;
- (e) any right of set-off arising under contracts entered into by members of the Group in the ordinary course of their business; or
- (f) any Security created or arising as a consequence of any finance lease in the ordinary course of business

**"Plant and Equipment"** means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) now or at any time hereafter (and from time to time) owned by any Chargor of any kind and the benefit of all licences, warranties and contracts relating to the same

**"Receivables Finance Agreement"** means the receivables finance agreement dated on or around the date of this Deed between, among others, Shawbrook and the IF Obligor.

**"Receiver"** means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets

**"Related Rights"** means in relation to any Secured Asset:-

- (a) the proceeds of sale of all or any part of that Secured Asset;
- (b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;
- (d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and
- (e) any moneys and proceeds or income paid

or payable in respect of that Secured Asset

<b>"Secured Assets"</b>	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of the Sellers by or pursuant to this Deed
<b>"Secured Finance Documents"</b>	<p>means:</p> <ul style="list-style-type: none"><li>(a) the Loan Note Instrument;</li><li>(b) the Loan Note Guarantee;</li><li>(c) this Deed;</li><li>(d) the SPA in relation only to the payment of the Deferred Consideration; and</li><li>(e) any other document designated as a Secured Finance Document by the Sellers and the Original Chargor or the relevant Additional Chargor (as the case may be)</li></ul>
<b>"Secured Liability"</b>	<p>means:</p> <ul style="list-style-type: none"><li>(a) in respect of the Original Chargor, all present and future obligations and liabilities expressed to be due, owing or payable by the Original Chargor to any Secured Party in respect of the Deferred Consideration or under or in connection with the Loan Note Instrument or this Deed (whether present or future, actual or contingent and whether incurred solely or jointly (or jointly and severally) with any other person); and</li><li>(b) in respect of an Additional Chargor, all present and future obligations and liabilities expressed to be due, owing or payable by the Additional Chargor to any Secured Party under or in connection with the Loan Note Guarantee and this Deed (whether present or future, actual or contingent and whether incurred solely or jointly (or jointly and severally) with any other person)</li></ul>
<b>"Secured Party"</b>	means the Sellers and their permitted transferees or assigns
<b>"Securities"</b>	means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the UK Financial Collateral Regulations) including those held via a nominee, trustee or clearing system
<b>"Security"</b>	means a mortgage, charge, pledge, lien or any 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 which:-

- (a) all of the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Secured Finance Documents

**"Shares"** means:-

- (a) all of the shares in the capital of each of the companies specified in Schedule 2 (*Details of Shares*); and
- (b) any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time

**"Shawbrook"** means Shawbrook Bank Limited (CRN: 00388466) whose registered office is at Lutea House, The Drive, Warley Business Park, Great Warley, Brentwood, Essex CM13 3BE

**"Target Shares"** means 80 per cent. of the issued shares in Rygor Holdings Limited (CRN: 06506121), a company incorporated under the laws of England and Wales

**"Transaction Security"** means the Security created or expressed to be created in favour of the Sellers pursuant to this deed

**"Transaction Security Documents"** This Deed and the Loan Note Guarantee

**"UK Financial Collateral Regulations"** means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I.2003/3226) as amended by the Financial Collateral Arrangements (No. 2) Regulations 2003 (Amendment) Regulations 2009 (S.I.2009/2462), the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010, the European Union (Withdrawal) Act 2018 (as amended) and the Financial Markets and Insolvency (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (S.I.2019/341) and "UK Financial Collateral Regulation" means any of them

## 1.2 Interpretation

- 1.2.1 The principles of interpretation set out in the Loan Note Instrument shall apply to this Deed insofar as they are relevant to it.

1.2.2 Unless the context otherwise requires, a reference to a "**Secured Finance Document**" or any other agreement, deed or instrument is a reference to that Secured Finance Document or other agreement, deed or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Secured Finance Document or other agreement, deed or instrument.

1.2.3 The liabilities of the Chargors under this Deed are joint and several.

### 1.3 **Effect as a deed**

This Deed shall take effect as a deed even if it is executed under hand on behalf of the Sellers.

### 1.4 **Law of Property (Miscellaneous Provisions) Act 1989**

The terms of the other Secured Finance Documents and of any side letters between any parties in relation to any Secured Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

### 1.5 **Third party rights**

1.5.1 Each Secured Party, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.5.2 Notwithstanding any term of any Secured Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party.

### 1.6 **Nominees**

If a Seller causes or requires Shares or any other asset to be registered in the name of its nominee, any reference in this Deed to a Seller shall, if the context permits or requires, be construed as a reference to the Seller and their nominee.

### 1.7 **Override**

1.7.1 To the extent that any conflict or inconsistency arises between the terms of this Deed and a Secured Finance Document, the terms of the Secured Finance Document shall prevail but only to the extent of the conflict or inconsistency.

1.7.2 To the extent that any indemnity or other amount is payable by any Obligor under any of the provisions of a Secured Finance Document, this Deed will not operate to cause any duplicate indemnity or other amount to be payable in respect of the same facts or circumstances or matter.

### 1.8 **ICA**

This Deed is subject to the ICA. In the event of any conflict or inconsistency between the terms of this Deed and the terms of the ICA, the terms of the ICA shall prevail.

## **2. COVENANT TO PAY**

### **2.1 Secured Liabilities**

Each Chargor covenants that it will on demand pay and discharge the Secured Liabilities when due in accordance with the terms of the Secured Finance Documents.

### **2.2 Interest**

Each Chargor covenants to pay interest at the Default Rate to the Sellers on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment).

## **3. CHARGES**

### **3.1 Land**

Each Chargor charges:

3.1.1 by way of first legal mortgage all Land described in Schedule 1 (*Details of Land*); and

3.1.2 by way of first fixed charge:-

all Land vested in any Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;

all licences to enter upon or use Land and the benefit of all other agreements relating to Land; and

all Land acquired by any Chargor after the date of this Deed.

### **3.2 Shares**

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge the Shares and all Related Rights under or in connection with the Shares.

### **3.3 Securities**

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities.

### **3.4 Intellectual Property**

Each Chargor charges by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

### **3.5 Debts**

3.5.1 Each Chargor (other than the IF Obligor) charges by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

- 3.5.2 The IF Obligor charges and agrees to charge by way of first fixed charge all of its Monetary Claims which do not vest in Shawbrook pursuant to the Receivables Finance Agreement and all Related Rights in respect of such non-vesting Monetary Claims.

**3.6 Charged Accounts**

Each Chargor charges by way of first fixed charge:-

- 3.6.1 all amounts standing to the credit of the Charged Accounts; and  
3.6.2 all Related Rights under or in connection with the Charged Accounts.

**3.7 Plant and Equipment**

Each Chargor charges by way of first fixed charge:-

- 3.7.1 the Plant and Equipment (to the extent not effectively charged by Clauses 3.1.1 or 3.1.2) other than any Plant and Equipment which is for the time being part of any Chargor's stock-in-trade or work-in-progress; and  
3.7.2 all Related Rights under or in connection with the Plant and Equipment.

**3.8 Goodwill**

Each Chargor charges by way of first fixed charge its present and future goodwill.

**3.9 Uncalled capital**

Each Chargor charges by way of first fixed charge its uncalled capital.

**3.10 Authorisations**

Each Chargor charges by way of first fixed charge the benefit of all licences, consents and agreements and Authorisations held by or used in connection with the business of such Chargor or the use of any of its assets.

**3.11 Letters of credit**

Each Chargor charges by way of first fixed charge any letter of credit issued in its favour and all bills of exchange and other negotiable instruments held by it.

**3.12 Assigned Contracts**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

- 3.12.1 the Assigned Contracts to which it is a party; and  
3.12.2 all Related Rights under or in connection with the Assigned Contracts to which it is a party.

**3.13 Assigned Insurances**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

3.13.1 the Assigned Insurances to which it is a party; and

3.13.2 all Related Rights under or in connection with the Assigned Insurances to which it is a party.

### 3.14 **Floating Charge**

3.14.1 Each Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.14.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

### 3.15 **Trust**

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the relevant Chargor shall:-

3.15.1 hold it on trust for the Sellers as security for the payment and discharge of the Secured Liabilities; and

3.15.2 take such steps as the Sellers may require to remove the impediment to assignment or charging it.

### 3.16 **Nature of Security created**

The Security created under this Deed is created:

3.16.1 as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities;

3.16.2 in favour of the Sellers; and

3.16.3 with full title guarantee.

## 4. **CRYSTALLISATION OF FLOATING CHARGE**

### 4.1 **Crystallisation: By Notice**

4.1.1 Subject to Clause 4.4 (*Crystallisation: Moratorium*), the Sellers may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.14 (*Floating Charge*) into a fixed charge with immediate effect as regards any property or assets specified in the notice if:-

(a) the Security created by or pursuant to this Deed becomes enforceable in accordance with Clause 12.1 (*Enforcement*); or



- (b) the Sellers consider that any Secured Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process of otherwise be in jeopardy; or
  - (c) the Sellers consider that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.
- 4.1.2 If no specific assets subject to the floating charge in Clause 3.14 (*Floating charge*) are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.14 (*Floating charge*).

#### 4.2 **Crystallisation: Automatic**

Subject to Clause 4.4 (*Crystallisation: Moratorium*), the floating charge created by a Chargor under Clause 3.14 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets of that Chargor subject to the floating charge:-

- 4.2.1 if that Chargor creates or attempts to create any Security (other than Permitted Security over any of the Secured Assets; or
- 4.2.2 if any person levies or attempts to levy any distress, execution or other process against any of the Secured Assets; or
- 4.2.3 if the Sellers receive notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 if any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 on the crystallisation of any other floating charge over the Secured Assets; or
- 4.2.6 in any other circumstance provided by law.

#### 4.3 **Assets acquired post-crystallisation**

Any assets acquired by a Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.14 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by the Chargor at the date of crystallisation.

#### 4.4 **Crystallisation: Moratorium**

- 4.4.1 Notice may not be given to cause the floating charge over the assets of a Chargor created by Clause 3.14 (*Floating Charge*) to crystallise into a fixed charge whilst that Chargor is subject to a moratorium under Part A1 to the Insolvency Act 1986.
- 4.4.2 The floating charge created by Clause 3.14 (*Floating Charge*) may not be crystallised 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 Part A1 to the Insolvency Act 1986.

#### **4.5 Partial crystallisation**

The giving of a notice by the Sellers pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Sellers to serve similar notices in respect of any other class of assets or of any other right of the Sellers and/or the Secured Parties.

#### **4.6 De-crystallisation of floating charge**

Any charge that has crystallised under this Clause may by notice in writing (given at any time by the Sellers to a Chargor), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

### **5. PERFECTION OF SECURITY**

#### **5.1 Notices of assignment**

5.1.1 The Chargors must deliver notices of assignment in relation to each Secured Asset which is subject to an assignment under this Deed:-

- (a) Assigned Contracts: on the date on which the assignment is granted, by issuing a notice in the form set out in Schedule 9 (Form of notice of assignment of Assigned Contract) addressed to the relevant counterparty;
- (b) Assigned Insurances:
  - (i) on the date on which the assignment is granted, by issuing a notice in the form set out in Schedule 6 (Form of notice of assignment of Assigned Insurance) addressed to the relevant insurer;
  - (ii) if any Chargor renews, substitutes or replaces any Assigned Insurance, by issuing, on or within 5 Business Days of the date of the renewal, substitution or replacement, a notice in the form set out in Schedule 6 (Form of notice of assignment of Assigned Insurance) addressed to the relevant insurer;

5.1.2 The Chargors shall use their reasonable endeavours to procure that, within 14 days of the date of each notice of assignment delivered pursuant to Clause 5.1.1 above, each notice of assignment is acknowledged by the party to whom it is addressed.

5.1.3 Each Chargor will deliver to the Sellers:-

- (c) a copy of each notice of assignment, within 5 Business Days of delivery to the relevant counterparty; and

- (d) a copy of each acknowledgment of a notice of assignment, within 5 Business Days of receipt from the relevant counterparty.

## **5.2 Documents of Title**

### **5.2.1 Land**

- (a) The Chargors shall upon the execution of this Deed or any Deed of Accession, and upon the acquisition by any Chargor of any interest in any Land deliver (or procure delivery) to the Sellers of either:-
- (b) all deeds, certificates and other documents relating to such Land (which the Sellers shall be entitled to hold and retain at the expense and risk of the Chargors); or
- (c) an undertaking from a Chargor's solicitor (in form and substance acceptable to the Sellers) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of the Sellers.

### **5.2.2 Shares**

The Chargors shall upon the execution of this Deed or any Deed of Accession (or, if later, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares) and upon the acquisition by any Chargor of any interest in any Shares deliver (or procure delivery) to the Sellers of:

- (a) all stock and share certificates and other documents of or evidencing title to the Shares;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Shares, completed in blank on behalf of the applicable Chargor and, if the Sellers so require, pre-stamped; and
- (c) any other documents which the Sellers may from time to time require for perfecting their title, or the title of any purchaser, in respect of the Shares,
- (d) all of which the Sellers are entitled to hold at the expense and risk of the Chargors with the exception of the certificates and any other document of title relating to the Target Shares and the KHL Target Shares, which will, along with the corresponding instruments of transfer in blank, be deposited with the Sellers.

### **5.2.3 Securities**

As soon as reasonably practicable after any Securities are registered in, or transferred into the name of, a Chargor, or held by or in the name of the Sellers or a nominee (and in any event as soon as the Sellers so requests), such Chargor shall deposit with the Sellers, in respect of or in connection with those Securities:

- (a) all stock and share certificates and other documents of or evidencing title to the Securities;

- (b) signed and undated transfers (or other instruments of transfer) in respect of the Securities, completed in blank on behalf of the applicable Chargor and, if the Sellers so require, pre-stamped; and
- (c) any other documents which the Sellers may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Securities,

all of which the Sellers are entitled to hold at the expense and risk of the Chargors.

### 5.3 **Application to the Land Registry**

Each Chargor and the Sellers shall apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

#### 5.3.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*insert date*] in favour of Graham Drake, Tim Stacey and Paul Reed referred to in the charges register (Form P)"

## 6. **REPRESENTATIONS AND WARRANTIES**

- 6.1 Each Chargor makes the representations and warranties set out in this clause 6 to the Sellers on the date of this Deed and the representations and warranties are deemed to be repeated on each day during the Security Period by reference to the facts and circumstances existing at the time of repetition.
- 6.2 The Secured Assets are free from any Security other than Permitted Security and the Security created by this Deed.
- 6.3 The obligations expressed to be assumed by it in in this Deed to which it is a party are legal, valid, binding and enforceable obligations (subject to general principles of law limiting obligations).

## 7. **COVENANTS**

### 7.1 **Further assurance**

Each Chargor shall, from time to time and at its own expense, promptly do whatever the Sellers require to:-

- 7.1.1 give effect to the requirements of this Deed;
- 7.1.2 perfect, preserve or protect the Security created or expressed to be created by this Deed, or its priority; or
- 7.1.3 once the Security created by this Deed has become enforceable, facilitate the realisation of the Secured Assets or the exercise of any rights vested in the Sellers or any Receiver by this Deed or by law,

including executing any transfer, conveyance, charge, assignment or assurance of or in respect of the Secured Assets (whether to the Sellers or its nominees or otherwise), making any registration and giving any notice, order or direction. The obligations of the Chargors under this Clause 7.1 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

## **7.2 Negative pledge**

- 7.2.1 Each Chargor undertakes that it shall not create or permit to subsist any Security over any Secured Assets other than Permitted Security and the Security created by this Deed.
- 7.2.2 Each Chargor undertakes that it shall not do, or permit to be done, any act or thing that would or could be reasonably expected to depreciate, jeopardise or otherwise prejudice the Security created by this Deed or materially diminish the value of any of the Secured Assets.
- 7.2.3 Each Chargor shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that it shall not:
- (a) consolidate or subdivide any of its shares or re-organise, exchange, repay or reduce its share capital in any way;
  - (b) issue any new shares or stock; or
  - (c) refuse to register any transfer of any of its shares that may be lodged with it for registration by, or on behalf of, the Sellers or a Chargor in accordance with this Deed.

## **7.3 Disposals**

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Secured Assets except in the ordinary course of business of Secured Assets which are only subject to a floating charge or with the prior written consent of the Sellers or as a Permitted Disposal.

## **7.4 Land**

Each Chargor shall promptly notify the Sellers in writing if it intends to acquire any estate or interest in Land and shall promptly on request by the Sellers (at the cost of that Chargor) execute a legal mortgage in favour of the Sellers of that property in any form which the Sellers may require. If the title to any such estate or interest is registered (or required to be registered) at the Land Registry, the relevant Chargor will procure the registration of the legal mortgage at the Land Registry.

# **8. SHARES AND SECURITIES**

## **8.1 Shares: before an Event of Default which is continuing**

Prior to the occurrence of an Event of Default which is continuing, the Chargors shall:-

- 8.1.1 pay all dividends, interest and other moneys arising from the Shares in accordance with the Secured Finance Documents;

- 8.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Secured Finance Documents;
- 8.1.3 promptly upon receipt, forward to the Sellers copies of all notices and other communications received in connection with the Shares;
- 8.1.4 promptly comply with (and copy to the Sellers) all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision in any articles of association or other constitutional documents relating to any Shares; and
- 8.1.5 comply with all other conditions and obligations assumed by it in respect of any of the Shares where failure to do so could adversely effect the interests of the Sellers.

## 8.2 **Shares: after an Event of Default which is continuing**

After the occurrence of an Event of Default and for so long as it is continuing, the Sellers may at their discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 8.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 8.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 14 (*Application of Moneys*);
- 8.2.3 transfer the Shares into its name or the name of its nominee(s); and
- 8.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Secured Assets, to concur or participate in:-
  - (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
  - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
  - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Sellers may think fit, and the proceeds of any such action shall form part of the Secured Assets.

## 8.3 **Securities and Shares: payment of calls**

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, the Sellers may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by the Sellers shall be reimbursed by the Chargor to the Sellers on demand and shall carry interest from the date of payment by the Sellers until reimbursed at the rate notified to the Chargor by the Sellers.

#### **8.4 Securities: exercise of rights**

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Sellers, would prejudice the effectiveness of, or the ability of the Sellers to realise the Security created by or pursuant to this Deed

### **9. MONETARY CLAIMS**

9.1 The Chargors (other than the IF Obligor) shall not at any time during the Security Period, without the prior written consent of the Sellers sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do so.

9.2 If and to the extent that the Sellers so specify, at any time after the Security created under this Deed has become enforceable, each Chargor shall pay the proceeds of payment or realisation of its assets comprising temporary and other investments, book and other debts, royalties, fees and income of like nature or other moneys received by that Chargor as the Sellers may require into such account(s) as the Sellers may from time to time specify and pending such payment shall hold all such receipts on trust for the Sellers.

### **10. ASSIGNED CONTRACTS AND ASSIGNED INSURANCES**

10.1 Each Chargor shall:-

10.1.1 deliver to the Sellers, promptly following execution of the same, such documents relating to the Assigned Contracts and the Assigned Insurances as the Sellers may reasonably require;

10.1.2 perform all its obligations under the Assigned Contracts and Assigned Insurances in a diligent and timely manner; and

10.1.3 notify the Sellers of any breach of or default under an Assigned Contract or Assigned Insurance by it or any other party and any right that arises entitling it or any other party to terminate or rescind an Assigned Contract or Assigned Insurance, promptly upon becoming aware of the same.

10.2 The Chargors shall not, without the prior written consent of the Sellers:

10.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Contract or Assigned Insurance;

10.2.2 exercise any right to rescind, cancel, terminate or release any counterparty from any obligations (or agree to do to any of the foregoing) in respect of any Assigned Contract or Assigned Insurance; or

- 10.2.3 assign, transfer, charge or otherwise deal with or dispose of any Assigned Contract or Assigned Insurance or any of the Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Contracts or Assigned Insurances,

except as permitted by the terms of the Secured Finance Documents.

- 10.3 The relevant Chargor may exercise all its rights in respect of the Assigned Contracts to which it is a party (including receiving and exercising all rights relating to proceeds of those Assigned Contracts) to the extent permitted pursuant to the terms of the Secured Finance Documents.
- 10.4 While no Event of Default is continuing, the relevant Chargor may exercise all its rights in respect of the Assigned Insurances to which it is a party (including receiving and exercising all rights relating to proceeds of those Assigned Insurances) to the extent permitted pursuant to the terms of the Secured Finance Documents.

## **11. PROTECTION OF SECURED ASSETS**

### **11.1 Insurance**

- 11.1.1 Each Chargor shall insure and keep insured the Secured Assets against such risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor and at the Sellers' option ensure that the interest of the Sellers is noted on the policy.
- 11.1.2 Any such insurance must be with a reputable insurance company or underwriters, and must include property owners' public liability and third party liability insurance and be for not less than the replacement value of the relevant Secured Assets (meaning in the case of any premises, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation) and, in the case of any property, loss of rents payable by the tenants or other occupiers of any Secured Assets for a period of at least three years, including provision for increases in rent during the period of insurance.
- 11.1.3 No Chargor shall do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy as is required by clause 11.1.2.

### **11.2 Application of Insurance Proceeds**

- 11.2.1 Before an Event of Default which is continuing<sup>1</sup>, all monies payable under any insurance policy maintained by any Chargor in accordance with clause 11.1.1 at any time shall be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or, after the security constituted by this Deed has become enforceable and if the Sellers so direct, in or towards discharge or reduction of the Secured Liabilities

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<sup>1</sup> Not before



- 11.2.2 While an Event of Default is continuing the Chargors shall hold such moneys upon trust for the Sellers pending payment to the Sellers for application in accordance with Clause 14 (*Application of Moneys*) and each Chargor waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Secured Assets.

### 11.3 **Enforcement of rights**

Each Chargor shall use its reasonable endeavours to:

- 11.3.1 procure the observance and performance by each counterparty to any agreement or arrangement with any Chargor forming part of the Secured Assets of the covenants and other obligations imposed on that counterparty; and
- 11.3.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets as the Sellers may reasonably require from time to time.

### 11.4 **Notice of misrepresentation and breaches**

Each Chargor shall, promptly on becoming aware of any of the same, notify the Sellers in writing of:

- 11.4.1 any representation or warranty set out in this Deed that is incorrect or misleading in any material respect; and
- 11.4.2 any breach of any covenant set out in this Deed.

### 11.5 **Power to remedy**

If any Chargor fails to comply with any of its obligations in relation to any of its assets subject to Security pursuant to this Deed, the Sellers may, if they think fit (but without any obligation) take such steps as it deems appropriate to remedy such failure (including, without limitation, the carrying out of repairs, the putting in place of insurance or the payment of costs, charges or other expenses) and the Chargors will co-operate with and will grant the Sellers or their agents or contractors such access as the Sellers may require to the relevant assets or otherwise in order to facilitate the taking of such steps. The Chargors shall indemnify the Sellers in respect of any cost, loss, liability or expense incurred or assumed by the Sellers in respect of a breach by any Chargor of its obligations contained in this Deed, and such monies shall carry interest at the rate specified in the Loan Note Instrument.

### 11.6 **Information**

#### 11.7 Each Chargor shall:

- 11.7.1 give the Sellers such information concerning the location, condition, use and operation of the Secured Assets as the Sellers may reasonably require;
- 11.7.2 permit any persons designated by the Sellers or any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- 11.7.3 promptly notify the Sellers in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a

Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the relevant Chargor's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Sellers' prior approval, implement those proposals at its own expense.

#### **11.8 Payment of outgoings**

Each Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Sellers.

### **12. DEMAND AND ENFORCEMENT**

#### **12.1 Enforcement**

The Security created by this Deed shall become enforceable:-

12.1.1 upon the occurrence of an Event of Default; or

12.1.2 upon any request being made by a Chargor to the Sellers for the appointment of a Receiver or an administrator, or for the Sellers to exercise any other power or right available to it.

#### **12.2 Powers on enforcement**

At any time after the Security created by this Deed has become enforceable, the Sellers may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

12.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;

12.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;

12.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the UK Financial Collateral Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the title in and to it to the Sellers insofar as not already transferred, subject to paragraphs (1) and (2) of UK Financial Collateral Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as the Sellers shall determine in a commercially reasonable manner;

12.2.4 subject to Clause 13.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and

12.2.5 appoint an administrator of any Chargor.

#### **12.3 Disposal of the Secured Assets**

In exercising the powers referred to in Clause 12.2 (*Powers on enforcement*), the Sellers or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

#### **12.4 Same rights as Receiver**

Any rights conferred by any Secured Finance Document upon a Receiver may be exercised by the Sellers, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Sellers shall have taken possession or appointed a Receiver of the Secured Assets.

#### **12.5 Delegation**

The Sellers may delegate in any manner to any person any rights exercisable by the Sellers under any Secured Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Sellers thinks fit.

### **13. RECEIVERS**

#### **13.1 Method of appointment or removal**

Every appointment or removal of a Receiver, any delegate or any other person by the Sellers under this Deed shall be in writing under the hand of the Sellers (subject to any requirement for a court order in the case of the removal of an administrative receiver).

#### **13.2 Removal**

The Sellers may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which they are the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

#### **13.3 Powers**

Every Receiver shall have and be entitled to exercise all the powers:-

13.3.1 of the Sellers under this Deed;

13.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);

13.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;

13.3.4 in relation to any Secured Assets, which they would have if they were the only beneficial owner; and

13.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

#### **13.4 Receiver as agent**

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Sellers.

**13.5 Joint or several**

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

**13.6 Receiver's remuneration**

Every Receiver shall be entitled to remuneration for their services at a rate to be fixed by the Sellers and the maximum rate specified in section 109(6) of the LPA shall not apply.

**14. APPLICATION OF MONEYS**

**14.1 Application of moneys**

All sums received by virtue of this Deed and/or any other Transaction Security Documents by the Sellers or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

14.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Sellers in relation to the Transaction Security Documents, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;

14.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Sellers or any Receiver;

14.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Secured Finance Documents;

14.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.

**15. POWER OF ATTORNEY**

**15.1 Appointment**

Each Chargor irrevocably and by way of security appoints:-

15.1.1 the Sellers (whether or not a Receiver has been appointed);

15.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Sellers; and

15.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which the Sellers in their sole opinion may consider necessary or desirable for perfecting their title to any of the Secured Assets or enabling the Sellers or the Receiver to exercise any of its rights or powers under this Deed.

**15.2 Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 15.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 15.1 (*Appointment*).

**15.3 Exercise**

The power of attorney granted pursuant to this Clause 15 is only capable of being exercised:

15.3.1 where the Sellers has requested the Chargor to take any necessary steps under Clause 7.1 and the Chargor has failed to take such steps within 5 Business Days of such request.

15.3.2 while an Event of Default is continuing.

**16. CONSOLIDATION**

**16.1 Combination of accounts**

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Sellers and each other Secured Party may at any time without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Sellers or such other Secured Party, and/or set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

**16.2 Application**

The Sellers's and each other Secured Party's rights under Clause 16.1 (*Combination of accounts*) apply:-

16.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;

16.2.2 whether or not any credit balance is immediately available or subject to any restriction;

16.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Sellers and the relevant other Secured Party may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and

16.2.4 in respect of any Secured Liabilities owed by the relevant Chargor, whether owed solely or jointly, certainly or contingently, presently or in the future, as principal or surety, and howsoever arising.

## **17. PROTECTION OF THIRD PARTIES**

### **17.1 Statutory powers**

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Sellers, as varied and extended by this Deed, and all other powers of the Sellers, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

### **17.2 Purchasers**

No purchaser or other person dealing with the Sellers, any person to whom they have delegated any of their powers, or the Receiver shall be concerned:-

17.2.1 to enquire whether any of the powers which the Sellers or a Receiver have exercised has arisen or become exercisable;

17.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;

17.2.3 as to the propriety or validity of the exercise of those powers; or

17.2.4 with the application of any moneys paid to the Sellers, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

### **17.3 Receipts**

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Sellers, any other Secured Party or any person to whom any of them have delegated any of their powers.

## **18. PROTECTION OF THE SECURED PARTIES**

### **18.1 No liability**

No Secured Party or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed unless such cost, liability, expense, loss or damage is caused by such person's gross negligence or wilful default.

### **18.2 Not mortgagee in possession**

Without prejudice to any other provision of this Deed, entry into possession of any Secured Assets shall not render a Secured Party or any of their respective officers or employees liable:-

18.2.1 to account as mortgagee in possession;

18.2.2 for any loss on realisation; or

18.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever such Secured Party enters into possession of any Secured Assets it shall be entitled at any time it or they think fit to relinquish possession.

### **18.3 Indemnity**

Each Chargor shall indemnify and keep indemnified the Sellers and each other Secured Party and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

18.3.1 any act or omission by any of them in relation to all or any of the Secured Assets;

18.3.2 any payment relating to or in respect of all or any of the Secured Assets which is made at any time by any of them;

18.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

18.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed;

18.3.5 taking proceedings for, or recovering, any of the Secured Liabilities; and

18.3.6 any breach by the relevant Chargor of any of its covenants or other obligations to the Sellers or any other Secured Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

### **18.4 Interest**

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 18 (*Protection of the Secured Parties*) but which are unpaid from the date on which the liability was incurred to the date of actual payment (both before and after judgment) (but without double counting for any default interest accruing on such unpaid sum in respect of the same facts, circumstances or matters under any other provision of the Secured Finance Documents).

### **18.5 Indemnity out of the Secured Assets**

The Sellers, the other Secured Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Secured Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 18.3 (*Indemnity*).

### **18.6 Liability of Chargors related to Secured Assets**

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

**18.7 Continuing protections**

The provisions of this Clause 18 (*Protection of the Secured Parties*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

**19. PROVISIONS RELATING TO THE SELLERS**

**19.1 Powers and discretions**

The rights, powers and discretions given to the Sellers in this Deed:-

- 19.1.1 may be exercised as often as, and in such manner as, the Sellers think fit;
- 19.1.2 are cumulative, and are not exclusive of any of their rights under the general law; and
- 19.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

**19.2 Certificates**

A certificate or determination by the Sellers of a rate or specifying under this Deed is (in the absence of manifest error) conclusive evidence of the matters to which it relates.

**19.3 Assignment**

The Sellers may at any time without the consent of any Chargor, assign or transfer the whole or any part of their rights under this deed to any person to which they can transfer rights or Loan Notes in accordance with the terms of a Secured Finance Document.

**19.4 Trusts**

The perpetuity period for any trust constituted by this Deed shall be 125 years.

**20. PRESERVATION OF SECURITY**

**20.1 Continuing Security**

This Deed shall be a continuing security to the Sellers and shall remain in force until expressly discharged in writing by the Sellers notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

**20.2 Additional Security**

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Sellers or any other Secured Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.



### 20.3 **Waiver of Defences**

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Sellers or any other Secured Party) including:-

- 20.3.1 any time, waiver or consent granted to, or composition with, any Chargor or other person;
- 20.3.2 the release of any Chargor or any other person under the terms of any composition or arrangement with any person;
- 20.3.3 the taking, variation, compromise, exchange, renewal, enforcement 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;
- 20.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor or any other person;
- 20.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Secured Finance Document or any other document or Security;
- 20.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Secured Finance Document or any other document; or
- 20.3.7 an insolvency, liquidation, administration or similar procedure.

### 20.4 **Immediate recourse**

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

### 20.5 **Appropriations**

During the Security Period the Sellers and each Secured Party may:-

- 20.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 14.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- 20.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

### 20.6 **Tacking**

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Sellers confirms that the Sellers shall make further advances to the Chargors on the terms and subject to the conditions of the Secured Finance Documents.

**20.7 Deferral of Chargor's rights**

During the Security Period and unless the Sellers otherwise direct, or except as permitted by the Secured Finance Documents, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

20.7.1 to receive or claim payment from, or be indemnified by an Chargor;

20.7.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Chargor's obligations under the Secured Finance Documents;

20.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under any Secured Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Secured Finance Documents by any Secured Party;

20.7.4 to exercise any right of set-off against any Chargor; and/or

20.7.5 to claim or prove as a creditor of any Chargor in competition with any Secured Party.

**21. RELEASE**

**21.1 Release**

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and provided that no Secured Party has any further commitment, obligation or liability under or pursuant to the Secured Finance Documents, the Sellers shall, or shall procure that their appointees will, at the request and cost of the Chargors:-

21.1.1 release the Secured Assets from this Deed; and

21.1.2 re-assign the Secured Assets that has been assigned to the Sellers under this Deed.

**21.2 Reinstatement**

If the Sellers consider that any amount paid or credited to any Secured Party under any Secured Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

21.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

21.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

**21.3 Consolidation**

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

## **22. MISCELLANEOUS PROVISIONS**

### **22.1 Severability**

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

22.1.1 the validity or enforceability of any other provision, in any jurisdiction;  
or

22.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

### **22.2 Joint and separate liability**

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

### **22.3 Counterparts**

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

### **22.4 Deeds of Accession**

22.4.1 The Original Chargor shall procure that each of the Charging Entities accedes to this Deed and executes and delivers a Deed of Accession to the Sellers:

- (a) in respect of each Charging Entity other than KHL, by no later than the end of the same Business Day falling on the date of this Deed; and
- (b) in respect of KHL, no later than the date falling 5 Business Days from (but excluding) the date of this Deed.

22.4.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;
- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession; and

- (c) the property and assets mortgaged, charged or assigned to the Sellers (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Deed of Accession shall form part of the Secured Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed to include the Security created by or pursuant to any Deed of Accession.

## 23. **NOTICES**

### 23.1 **Communication to be in writing**

Any communication given or made under or in connection with the matters contemplated by this Deed will be in writing. Any notice or other document provided under or in connection with this Deed must be in English.

### 23.2 **Deemed delivery**

Any such communication will be addressed as provided in Clause 17 (*Notices*) of the SPA, if so addressed, will be deemed to have been duly given or made as set out in the SPA.

### 23.3 **Parties' Details**

The relevant details of each party for the purposes of this Agreement, subject to Clause 23.4 (*Change of details*) shall be as set out in Clause 17 of the SPA.

### 23.4 **Change of details**

Any party may notify the other party at any time of a change to its details for the purposes of Clause 23.3 (*Parties details*) provided that such notification will only be effective on:-

- 23.4.1 the date specified in the notification as the date on which the change is to take place; or
- 23.4.2 if no date is specified or the date specified is less than 5 Business Days after the date on which notice is given, the date falling 5 Business Days after notice of any such change has been given..

## 24. **GOVERNING LAW**

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

## 25. **ENFORCEMENT**

### 25.1 **Jurisdiction of English Courts**

- 25.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 25.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

**EXECUTED AND DELIVERED AS A DEED** on the date set out at the beginning of this Deed.

**Schedule 1**

**DETAILS OF LAND**

**REGISTERED LAND**

None as at the date of this Deed

**UNREGISTERED LAND**

None as at the date of this Deed

## Schedule 2

### DETAILS OF SHARES

Name of Company	Description and Number of Shares	Name of Shareholder
Rygor Auto Group Limited	Rygor Holdings Limited	60,000 A ordinary shares of £1 each
Rygor Auto Group Limited	Rygor Holdings Limited	958 B Ordinary Shares of £1

### **Schedule 3**

#### **Details of Assigned CONTRACTS AND ASSIGNED Insurances**

The share purchase agreement dated on or around the date of this Deed relating to the sale and purchase of the shares in the capital of Rygor Holdings Limited and made between the Original Chargor and Graham Drake, Tim Stacey and Paul Reed.



**Schedule 4**

[not used]

## Schedule 5

### DEED OF ACCESSION

**THIS DEED** is made on [ ]

#### **BETWEEN:-**

- (1) [ ] (the "**New Chargor**"), a company incorporated in England or Wales whose registered office is at [ ];
- (2) **RYGOR AUTO HOLDINGS LIMITED** (the "**Company**") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) **GRAHAM DRAKE, PAUL REED AND TIM STACEY** as the Sellers.

#### **INTRODUCTION**

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of the Company.
- (B) This Deed is supplemental to a deed dated [ ] (as supplemented and amended from time to time, the "**Debenture**") between, among others, the Company, each of the companies named in the Debenture as Chargors, and Shawbrook Bank Limited <sup>2</sup>(as Sellers).
- (C) The New Chargor at the request of the Company and in consideration of the Secured Parties making or continuing to make facilities available to each Company or any other member of its group has agreed to enter into this Deed and become a Chargor under the Debenture.

#### **IT IS AGREED** as follows:-

##### **1. DEFINITIONS AND INTERPRETATION**

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.2 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

##### **2. ACCESSION**

The New Chargor agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

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<sup>2</sup> Not the 'Sellers'

### **3. SECURITY**

The New Chargor mortgages, charges and assigns to the Sellers all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Land*);
- 3.2 the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (*Shares*);
- 3.3 the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Assigned Insurances*);
- 3.4 the Assigned Contracts assigned shall include the Assigned Contracts referred to in Schedule 4 (*Assigned Contracts*);
- 3.5 the Assigned Accounts assigned shall include the Assigned Accounts referred to in Schedule 5 (*Assigned Accounts*); and
- 3.6 the Blocked Accounts charged by way of fixed charge shall include those referred to in Schedule 6 (*Blocked Accounts*)

### **4. CONSENT OF EXISTING CHARGORS**

The Company by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

### **5. EFFECT ON DEBENTURE**

- 5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.
- 5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to the Sellers (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

### **6. GOVERNING LAW**

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

**EXECUTED AS A DEED AND DELIVERED** on the date set out at the beginning of this Deed.

**[SCHEDULE 1  
LAND]**

**[SCHEDULE 2**

Shares]

**[SCHEDULE 3**

Assigned Insurances]

**[SCHEDULE 4**

Assigned Contracts]

**[SCHEDULE 5**

Not used]

**[SCHEDULE 6**

**BLOCKED ACCOUNTS]**

## SIGNATURE PAGES TO DEED OF ACCESSION

### The New Chargor

**EXECUTED** as a Deed )  
by **[NAME OF COMPANY] [LIMITED]** )  
**[PLC]** )  
acting by two Directors or a Director and )  
its Secretary:- )

Director

Director/Secretary

**OR**

**EXECUTED** as a Deed by **[NAME OF** )  
**COMPANY] [LIMITED] [PLC]** )  
acting by **[NAME OF DIRECTOR]**, a )  
Director, in the presence of:- )

Signature of witness: Director

Name of witness:

Address:

Occupation:

### The Company

**EXECUTED** (but not delivered )  
until the date hereof) **AS A DEED** )  
by **[ ] LIMITED** )  
acting by:- )

Director

Director/Secretary

## The Sellers

**SIGNED** for and on behalf of

•

)

)

## Schedule 6

### FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

**To be printed on the headed notepaper of the relevant Chargor**

To: [Insert name and address of relevant insurer]

Date: [ ]

Dear Sirs,

**[DESCRIPTION OF RELEVANT INSURANCE POLIC[Y][IES] INCLUDING POLICY NUMBER] (THE "POLIC[Y][IES]") [refer to an attached schedule if there are a number of policies]**

1. We give you notice that we have entered into a debenture dated [ ] in favour of Graham Drake, Tim Stacy and Paul Reed (the "Sellers") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Sellers by way of security all of our rights, title, interest and benefits in to or in respect of the Polic[y][ies] including the benefit of all claims and returns of premiums in respect thereof to which we are or may at any time become entitled.
3. With effect from the date of receipt of this notice, we instruct you to:
  - 3.1 name the Sellers (in its capacity as Sellers) as loss payee in respect of [each of] the Polic[y][ies];
  - 3.2 promptly inform the Sellers, without further approval from us, of any default in the payment of any premium or failure to renew [the][any] Policy;
  - 3.3 advise the Sellers promptly of any proposed cancellation of [the][any] Policy and in any event at least 30 days before the cancellation is due to take place;
  - 3.4 if the insurance cover under [the][any] Policy is to be reduced or any insured risks are to be restricted, advise the Sellers at least 30 days before the reduction or restriction is due to take effect; and
  - 3.5 disclose to the Sellers, without further approval from us, such information regarding the Polic[y][ies] as the Sellers may from time to time request and to send it copies of all notices issued by you under the Polic[y][ies].
4. Following the Sellers's notification to you that the security created by the Debenture has become enforceable:-
  - 4.1 all payments and claims under or arising from the Polic[y][ies] are to be made to the Sellers to such account (or to its order) as it may specify in writing from time to time;

- 4.2 all remedies provided for in the Polic[y][ies] or available at law or in equity are to be exercisable by the Sellers; and
- 4.3 all rights to compel the performance of the Polic[y][ies] are to be exercisable by the Sellers.
5. With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Polic[y][ies] (including all rights to compel performance) belong to and are exercisable by the Sellers.
6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Sellers.
7. By countersigning this letter, you confirm that:-
- 7.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
- 7.2 no amendment or termination of [the][any] Policy shall be effective unless you have given the Sellers 30 days written notice of it or, if it is not possible to comply with such notification to the Sellers in accordance with the provisions of the [relevant] Policy, the notice will be provided to the Sellers in relation to such termination as soon as possible; and
- 7.3 you will not, without the Sellers's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with [the][any] Policy.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Sellers at [ ] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
[CHARGOR]

**Acknowledged:**

.....

For and on behalf of  
[Name of insurer]



## Schedule 7

[Not used]

## Schedule 8

### FORM OF NOTICE OF ASSIGNMENT OF BLOCKED ACCOUNTS

**To be printed on the headed notepaper of the relevant Chargor**

To: [Insert name and address of relevant account bank]

Date: [ ]

Dear Sirs,

1. We give you notice that we have entered into a debenture dated [ ] in favour of Graham Drake, Tim Stacey and Paul Reed (the "**Sellers**") (the "**Debenture**").
2. We refer to the following bank account[s] which we hold with you (and any replacement account or subdivision or subaccount of [that][each] account) (the "**Blocked Account[s]**"):

Account holder	Account name	Account number	Sort code

3. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Sellers by way of security all of our rights, title and interest from time to time in the Blocked Account[s] including, without limitation all money at any time standing to the credit of the Blocked Account[s] (whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money.
4. With effect from the date of receipt of this notice:
  - 4.1 any existing payment instructions affecting the Blocked Account[s] are to be terminated and all payments and communications in respect of the Blocked Account[s] should be made to the Sellers or to their order (with a copy to us);
  - 4.2 all moneys standing to the credit of the Blocked Account[s] are to be held to the order of the Sellers; and
  - 4.3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Blocked Account[s] belong to the Sellers.

5. [We are not permitted to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Blocked Account[s].]
6. [With effect from the date of receipt of this notice, we are authorised to withdraw monies standing to the credit of the Blocked Account[s] until the occurrence of a Default which is continuing.]
7. [Following the Sellers' notification to you that the security created by the Debenture has become enforceable:-
  - 7.1 all moneys standing to the credit of the Block Account[s] are to be held to the order of the Sellers: and
  - 7.2 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Blocked Account[s] belong to the Sellers]
8. [We are not permitted to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Blocked Account[s] on the occurrence of a Default which is continuing.]
9. By countersigning this letter, you confirm that:-
  - 9.1 no fees or periodic charges are payable in respect of the Blocked Account[s] and there are no restrictions on:
    - 9.1.1 the payment of the credit balance on the Blocked Account[s]; or
    - 9.1.2 the assignment of the Blocked Account[s] to the Sellers or any third party;
  - 9.2 you have not received notice of any previous assignments of, charges over or trusts in respect of, the Blocked Account[s];
  - 9.3 you will not, without the Sellers's consent:-
    - 9.3.1 exercise any right of combination, consolidation or set-off which you may have in respect of the Blocked Account[s]; or
    - 9.3.2 amend or vary any rights attaching to the Blocked Account[s];
  - 9.4 you will act only in accordance with the instructions given by persons authorised by the Sellers;
  - 9.5 you will not permit us to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Blocked Account[s] without the Sellers' prior written consent; and
  - 9.6 you shall send all statements and other notices given by you relating to the Blocked Account[s] to the Sellers.
10. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Sellers.
11. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the

enclosed copy of this letter directly to the Sellers at Lutea House The Drive, Warley Hill Business Park, Great Warley, Brentwood, Essex, CM13 3BE marked for the attention of Nathan Burn<sup>3</sup>

Yours faithfully,

for and on behalf of  
[CHARGOR]

**Acknowledged:**

.....

For and on behalf of

[*Name of account bank*]

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<sup>3</sup> SB Bank address

## Schedule 9

### FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED CONTRACT

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant contract counterparty]

Date: [ ]

Dear Sirs,

#### [DESCRIPTION OF RELEVANT ASSIGNED CONTRACT] (THE "CONTRACT")

1. We give you notice that we have entered into a debenture dated [ ] in favour of Graham Drake, Tim Stacey and Paul Reed (the "Sellers") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Sellers by way of security all of our rights, title and interest from time to time in, and the full benefit of, the Contract and all rights, title and interest in any amounts payable to us under the Contract, including any claims for damages in respect of any breach of the Contract.
3. Following the Sellers' notification to you that the security created by the Debenture has become enforceable:-
  - 3.1 [all payments to be made to us under or arising from the Contract should be made [to the Sellers or to their order as they may specify in writing from time to time] [*specify bank account*];
  - 3.2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Sellers;
  - 3.3 you are authorised and instructed, without further approval from us, to comply with your obligations (including without limitation your payment obligations) under the Contract in accordance with the written instructions of the Sellers from time to time (and to hold the money for any such payments to the Sellers's order pending receipt of written instructions from the Sellers); and
  - 3.4 subject to paragraph 5 below, you shall allow the Sellers to perform all the obligations assumed by us under the Contract.
4. You shall not be released from your obligations under the Contract without the prior written consent of the Sellers.
5. We shall remain liable to perform all our obligations under the Contract and the Sellers shall be under no obligation of any kind whatsoever in respect of the Contract.
6. You must not, without the Sellers' prior written consent:

- 6.1 amend, novate, supplement, restate or replace the Contract;
  - 6.2 agree to any waiver or release of any of your obligations under the Contract; or
  - 6.3 exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Contract.
7. With effect from the date of receipt of this notice, we irrevocably and unconditionally instruct and authorise you, without requiring further approval from us, to:
- 7.1 promptly disclose to the Sellers such information relating to the Contract as the Sellers may at any time request including, without limitation, all information, accounts and records in your possession or control that may be necessary or of assistance to enable the Sellers to verify the amount of all payments made or payable under the Contract by you or the performance by you of all your obligations under the Contract; and
  - 7.2 provide the Sellers with copies of all notices given or received under the Contract promptly after they are given or received.
8. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Sellers.
9. By countersigning this letter, you confirm that:-
- 9.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
  - 9.2 no amendment, waiver or release of any of rights, interests and benefits referred to in this notice shall be effective without the prior written consent of the Sellers;
  - 9.3 no termination of any rights, interests or benefits referred to in this notice shall be effective unless we have given the Sellers thirty days written notice of the proposed termination (or if notice is not possible within that period, as soon as possible), specifying the action necessary to avoid such termination;
  - 9.4 no breach or default on the part of the [*insert name of relevant Chargors*] of any of the terms of the Contract shall be deemed to have occurred unless you have given notice of such breach to the Sellers specifying how to make good such breach; and
  - 9.5 you will not, without the Sellers's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Contract.
10. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within [5] days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Sellers at [The Beacon, Beacon Road, Minehead TA24 5SD]

Yours faithfully,

for and on behalf of  
[CHARGOR]

**Acknowledged:**

.....

For and on behalf of

[*Name of contract counterparty*]

## EXECUTION PAGES

### The Chargor

Executed as a deed, but not delivered until )  
the first date specified on page 1, by **RYGOR** )  
**AUTO GROUP LIMITED** acting by a director )  
in the presence of: )

Director

Name:

Witness' Signature

Witness' Name

Address

Pedro Carvalho

General Secretary

Occupation

:



## The Sellers

Executed as a deed, but not delivered until )  
the first date specified on page 1, by )  
**GRAHAM DRAKE** in the presence of: )

  
Graham Drake:

Witness' Signature

Witness' Name

Address

  
DocuSigned by:  
Michelle Drake

Michelle Drake

Occupation

:

Home maker

Executed as a deed, but not delivered until )  
the first date specified on page 1, by )  
**TIMOTHY STACEY** in the presence of: )

  
Timothy Stacey:

Witness' Signature

Witness' Name

Address

  
DocuSigned by:  
Emma Stacey


Emma Stacey

Occupation

:

Accountant

Executed as a deed, but not delivered until )  
the first date specified on page 1, by **PAUL** )  
**REED** in the presence of: )

  
Paul Reed:

Witness' Signature

Witness' Name

Address

  
DocuSigned by:  
Samantha Rushton Reed

Samantha Rushton Reed

Occupation

:

Director