



Registration of a Charge

Company Name: **SOLENT STEVEDORES CONTAINER TERMINAL LIMITED**

Company Number: **14287045**



Received for filing in Electronic Format on the: **27/09/2022**

XBDF1141

Details of Charge

Date of creation: **20/09/2022**

Charge code: **1428 7045 0001**

Persons entitled: **HSBC UK BANK PLC**

Brief description: **ALL OF THE COMPANY'S PROPERTY (AS SUCH TERM IS DEFINED IN THE CHARGE INSTRUMENT), AND ALL INTELLECTUAL PROPERTY. PLEASE SEE THE CHARGE INSTRUMENT 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:

HARSHIL PATEL



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 14287045

Charge code: 1428 7045 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th September 2022 and created by SOLENT STEVEDORES CONTAINER TERMINAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th September 2022 .

Given at Companies House, Cardiff on 29th September 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**

20 September 2022

Debenture

Solent Stevedores Container Terminal Limited ⁽¹⁾ and
HSBC UK Bank plc ⁽²⁾

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THIS AGREEMENT is dated **20 September 2022**

PARTIES

- (1) **Solent Stevedores Container Terminal Limited** (No. 14287045) whose registered office is Suite 1 Drake House, Drake Lane, Dursley, England, GL11 4HH (**Chargor**).
- (2) **HSBC UK Bank plc** (No. 9928412) whose registered office is 1 Centenary Square, Birmingham, B1 1HQ (**Lender**).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 The following definitions apply in this Deed:

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| Accounts | the accounts specified in Schedule 1 (<i>Bank accounts</i>) and includes any addition, renewal, replacement, resignation, subdivision, substitution or sub-account of those accounts. |
| Agreement for Lease | an agreement to grant an Occupational Lease for all or part of a Property. |
| Assigned Material Contracts | all contracts, agreements, deeds and other documents which are material (in the Lender's sole opinion) to the continued operation of the Chargor's business and those contracts (if any) brief particulars of which are set out in part 1 of Schedule 2 (<i>Material Contracts</i>) or in any Supplemental Debenture. |
| Authorisation | an authorisation, consent, approval, resolution, license, exemption, filing, notarisation or registration. |
| Blocked Accounts | the accounts specified in Part 1 of Schedule 1 (<i>Bank accounts</i>) or specified in any Supplemental Debenture, and includes any addition, renewal, replacement, resignation, subdivision, substitution or sub-account of those accounts. |
| Business Day | a day, other than a Saturday or a Sunday, on which banks are open for general business in London. |
| Charged Debts | all book and other debts and all other rights and claims charged to the Lender under this Deed. |
| Charged Material Contracts | those contracts (if any) brief particulars of which are set out in part 2 of Schedule 2 (<i>Material Contracts</i>) or in any Supplemental Debenture. |
| Chargor's Intellectual Property | the Intellectual Property owned or used by the Chargor from time to time. |
| Companies Act | the Companies Act 2006. |
| Debenture Security | the Security created or evidenced by or pursuant to this Deed and each Supplemental Debenture. |
| Delegate | any delegate, agent, attorney or trustee appointed by the Lender. |
| Default Rate | two percent per annum above the highest rate of interest ordinarily applicable to the Secured Obligations from time to time. |

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| Discharge Date | the date with effect from which the Lender confirms to the Chargor that all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all relevant commitments of the Lender cancelled. |
| Distribution Rights | <p>(a) all dividends, distributions, interest and other income paid or payable on the relevant Investment or Shares;</p> <p>(b) all shares or other property derived from the relevant Investment or Shares (whether by way of conversion, consolidation, subdivision, substitution, redemption, bonus, preference, option or otherwise); and</p> <p>(c) all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to the relevant Investment or Shares.</p> |
| Enforcement Event | the occurrence of any of the events or circumstances described in Clause 8.1 (<i>When security becomes enforceable</i>). |
| Enforcement Party | any of the Lender, a Receiver or a Delegate. |
| Expenses | (without double counting) all fees, discounts, commissions and other banking or service charges, legal and other professional fees, premiums, costs or expenses, in each case calculated on a full indemnity basis and together with VAT, incurred by any Enforcement Party in connection with the Secured Assets, the preparation, negotiation and creation of this Deed, taking, perfecting, enforcing or exercising any power under this Deed, the appointment of any Receiver or Delegate, the breach of any provision of this Deed and / or the protection, realisation or enforcement of this Deed, and includes any payments made under Clause 7.12 (<i>Power to remedy</i>), the costs of transferring to the Lender or the Receiver any security ranking in priority to the security constituted by this Deed, or the amount required to be paid to secure the unconditional and irrevocable discharge of such security, or any of the foregoing as the context shall require. |
| Finance Documents | any document under which the Chargor owes obligations to the Lender or which guarantees or secures any of the Secured Obligations. |
| Financial Collateral | has the meaning given to that expression in the Financial Collateral Regulations. |
| Financial Collateral Regulations | the Financial Collateral Arrangements (No 2) Regulations 2003 (<i>S/ 2003/3226</i>). |
| Fixtures | any fixtures (but excluding landlord's fixtures), fittings, fixed plant or machinery from time to time situated on or forming part of the Property. |
| Headlease | a lease under which the Chargor holds title to the whole or any part of any Property. |
| Insolvency Act | the Insolvency Act 1986. |
| Insurances | all contracts or policies of insurance of whatever nature which from time to time are taken out or maintained by or on behalf of the Chargor or (to the extent of its relevant interest) in which the |

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| | Chargor has an interest but excluding contracts or policies of insurance to the extent they relate to the Chargor's liabilities to third parties. |
| Insurance Proceeds | the proceeds of any insurance claim received by or on behalf of the Chargor, after deduction of any reasonable expenses incurred in relation to the relevant claim and payable by the Chargor to any other person together with the benefit of all bonuses, profits, returns of premium and other benefits of whatever nature arising by virtue of the Chargor's ownership of any Insurances and all interest on any of the foregoing. |
| Intellectual Property | all rights in confidential information, copyright and like rights, database rights, design rights, rights in design, knowhow, rights in inventions, patents, service marks, trademarks and all other intellectual property rights and interests, whether registered (or the subject of an application for registration) or un-registered, owned by the Chargor or in which the Chargor has an interest from time to time, and the benefit of the Chargor's applications and rights to use such assets, throughout the world now and in the future, and includes any such rights identified in any Supplemental Debenture. |
| Interest | interest at the rate calculated and compounded as agreed between the Lender and the Chargor from time to time, and if not so agreed, in accordance with the practice of the Lender from time to time both before and after judgment. |
| Investment | any negotiable instrument, certificate of deposit, debenture, share or other investment (as specified for the purposes of section 22 Financial Services and Markets Act 2000 as at the date of this Deed) now or in the future owned by the Chargor including (save where the context otherwise requires) the Shares and all Related Rights relating to the same. |
| Lease Document | <p>(a) an Agreement for Lease;</p> <p>(b) an Occupational Lease; or</p> <p>(c) any other document designated as such by the Lender and the Chargor.</p> |
| Lender's Group | HSBC Bank plc, the Lender and any of their respective Subsidiaries from time to time. |
| LPA | Law of Property Act 1925. |
| Material Contracts | any Assigned Material Contracts and any Charged Material Contracts. |
| Material Lease Documents | those Lease Documents which the Lender has confirmed to the Chargor are considered to be material by the Lender. |
| Occupational Lease | any lease or licence or other right of occupation or right to receive rent to which a Property may at any time be subject and includes any guarantee of a tenant's obligations under the same . |
| Party | a party to this Deed. |
| Property | the Real Property from time to time owned by the Chargor or in which the Chargor has an interest (including the Real Property, if |

any, specified in Schedule 3 (*Details of Property*) and any Supplemental Debenture) together with (in every case) all Related Rights relating to the same.

Real Property

any freehold, leasehold or immovable property and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of any such property.

Receiver

any one or more receivers and managers or (if the Lender so specifies in the relevant appointment) receivers appointed by the Lender pursuant to this Deed in respect of the Chargor or in respect of the Secured Assets or any of them.

Related Rights

in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, Security, indemnities or covenants for title in respect of that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset.

Rental Income

the aggregate of all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Property, including each of the following amounts:

- (a) rent, licence fees and equivalent amounts paid or payable;
- (b) any sum received or receivable from any deposit held as security for performance of a tenant's obligations;
- (c) a sum equal to any apportionment of rent allowed in favour of the Chargor;
- (d) any other moneys paid or payable in respect of occupation and/or usage of the Property and any fixture and fitting on that Property including any fixture or fitting on the Property for display or advertisement, on licence or otherwise;
- (e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;
- (f) any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement, waiver, extension or release of any Lease Document;
- (g) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease Document;
- (h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease Document;

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| | <ul style="list-style-type: none"> (i) any Tenant Contributions; and (j) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by the Chargor. |
| Secured Assets | the assets charged, assigned or otherwise the subject of any security created by or pursuant to this Deed and each Supplemental Debenture and includes any part or parts of such assets. |
| Secured Obligations | all indebtedness and all obligations or liabilities of any kind which may now or at any time in the future be due, owing or incurred by the Chargor to the Lender, whatever their nature or basis, in any currency or currencies and however they are described together with Interest and Expenses. |
| Security | a mortgage, charge, assignment, pledge, lien or other security interest in any jurisdiction securing any obligation of any person or any other agreement or arrangement having a similar effect. |
| Security Financial Collateral Arrangement | has the meaning given to that expression in the Financial Collateral Regulations. |
| Security Period | the period beginning on the date of this Deed and ending on the Discharge Date. |
| Shares | all shares (if any) specified in Schedule 4 (<i>Shares</i>) or specified in any Supplemental Debenture, and also all other stocks, shares, debentures, bonds, warrants, coupons or other securities now or in the future owned by the Chargor from time to time or any in which the Chargor has an interest. |
| Subordinated Debt | has the meaning given to it in the Subordination Agreement. |
| Subordination Agreement | a subordination agreement entered into or to be entered into by (amongst others) the Chargor and the Lender. |
| Subsidiary | a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006. |
| Supplemental Debenture | a mortgage or charge in respect of any Real Property, Material Contracts, Investments, Blocked Accounts or other assets granted by the Chargor in favour of the Lender in accordance with Clause 4.2.2 substantially in the form provided in Schedule 10 (<i>Supplemental Debenture</i>). |
| Tax | any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same). |
| Tenant Contributions | <p>any amount paid or payable to the Chargor by any tenant under a Lease Document or any other occupier of a Property, by way of:</p> <ul style="list-style-type: none"> (a) contribution to: <ul style="list-style-type: none"> (i) ground rent; |

- (ii) insurance premia;
- (iii) the cost of an insurance valuation;
- (iv) a service or other charge in respect of the Chargor's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, a Property; or
- (v) a reserve or sinking fund; or
- (b) VAT.

Third Parties Act

the Contracts (Rights of Third Parties) Act 1999.

VAT

- (a) any value added tax imposed by the Value Added Tax Act 1994;
- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (a) or (b), or imposed elsewhere.

1.2 Construction

In this Deed:

- (a) any reference to:
 - (i) the word **assets** includes present and future properties, revenues, rights and interests of every kind;
 - (ii) the word **dispose** includes charging, selling, leasing, assigning or transferring or agreeing to do any of the same, granting an option or similar right, creating a trust or other equitable interest or sharing or parting with possession or occupation;
 - (iii) the word **guarantee** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
 - (iv) the word **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (v) the word **law** includes law established by or under statute, constitution, treaty, decree, regulation or judgment, common law and customary law, and the word **lawful** and similar words and phrases are to be construed accordingly;
 - (vi) the word **person** includes any individual, firm, company, corporation, government, state or any agency of a state or any association, trust, joint venture, consortium or partnership or other entity (whether or not having separate legal personality);

- (vii) the word **Property** includes a reference to each separate Property of which particulars are set out in Schedule 3 (*Details of Property*) and/or any Supplemental Debenture and to any parts of such property;
 - (viii) the word **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
 - (ix) the word **security** includes any assignment by way of security, charge, lien, mortgage, pledge or other security interest securing any obligation of any person and any other agreement or arrangement having a similar effect;
 - (x) the word **set-off** includes analogous rights and obligations in other jurisdictions; and
 - (xi) the word **tax** or **taxes** includes any tax, duty, impost or levy and any other charge or withholding of a similar nature (including any interest or penalty for late payment or non-payment);
- (b) where something (or a list of things) is introduced by the word **including**, or by the phrase **in particular**, or is followed by the phrase **or otherwise**, the intention is to state an example (or examples) and not to be exhaustive (and the same applies when other similar words or phrases are used);
 - (c) each reference to the **Chargor**, the **Lender** or any **Party** includes its successors in title, and its permitted assignees or permitted transferees;
 - (d) unless this Deed expressly states otherwise or the context requires otherwise, (a) each reference in this Deed to any provision of any statute or of any subordinate legislation means, at any time, the relevant provision as in force at that time (even if it has been amended or re-enacted since the date of this Deed) and (b) each reference in this Deed to any provision of any statute at any time includes any subordinate legislation made pursuant to or in respect of such provisions as in force at such time (whether made before or after the date of this Deed and whether amended or re-enacted since the date of this Deed);
 - (e) each reference to this Deed (or to any other agreement or deed) means, at any time, this Deed (or as applicable such other agreement or deed) as amended, novated, supplemented, extended, restated (however fundamentally) or replaced at that time;
 - (f) each reference to the singular includes the plural and vice versa, as the context permits or requires;
 - (g) the index and each heading in this Deed is for convenience only and does not affect the meaning of the words which follow it;
 - (h) each reference to a Clause or Schedule is (unless expressly provided to the contrary) to be construed as a reference to the relevant clause or schedule to this Deed;
 - (i) each reference to a time of day is a reference to London time;
 - (j) wherever this Deed and any Supplemental Debenture states that the Chargor must not take a particular step without the consent of the Lender, the Lender has discretion whether to give its consent and can impose conditions on any such consent it gives;
 - (k) references to security given made or created by this Deed are to be deemed to include security given made or created by any Supplemental Debenture; and
 - (l) an Enforcement Event is **continuing** if it has not been waived by the Lender.

1.3 Separate security

This Deed and each Supplemental Debenture is to be read and construed as if it each were a separate deed to the intent that if any security created by the Chargor in this Deed or under any Supplemental Debenture shall be invalid or liable to be set aside for any reason, this shall not affect any security created under any other such document by that Chargor.

1.4 Third Party Rights

- 1.4.1 A person who is not an Enforcement Party has no right under the Third Parties Act to enforce or enjoy the benefit of any term of this Deed except to the extent that this Deed or any of the other Finance Documents expressly provides for it to do so.
- 1.4.2 No consent of any person who is not a Party is required to rescind or vary this Deed at any time.
- 1.4.3 This Clause 1.4 (*Third Party Rights*) does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Third Parties Act.

1.5 Incorporation of other terms

The terms of the other Finance Documents and any other document under which the Secured Obligations arise and of any side letters between the Chargor and the Lender relating to the Secured Obligations are incorporated in this Deed and any Supplemental Debenture to the extent required for any purported disposition of the Secured Assets contained in this Deed or any Supplemental Debenture to be a valid disposition in accordance with section 2(1) Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Finance Document

This Deed and each Supplemental Debenture is a Finance Document.

2. COVENANT TO PAY

2.1 Covenant

The Chargor hereby, as primary obligor and not merely as surety, covenants with the Lender that it will pay, discharge and perform the Secured Obligations on demand when due and in the manner provided in the Finance Documents.

2.2 Default Interest

Any amount which is not paid under this Deed on the due date shall bear interest (as well after as before judgment) payable on demand on a daily basis from the due date until the date of actual unconditional and irrevocable payment and discharge of such amount in full:

- (a) at the rate and in the manner agreed in the Finance Document under which such amount is payable; or
- (b) in the absence of such agreement, at the Default Rate from time to time.

3. CHARGING CLAUSE

3.1 Grant of security

The Chargor, as a continuing security for the payment, discharge and performance of the Secured Obligations, charges and agrees to charge as security in favour of the Lender the following assets:

3.1.1 First legal mortgage on specified land and buildings

by way of first legal mortgage all its Property (if any) identified in Schedule 3 (*Details of Property*) and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such Property;

3.1.2 First fixed charge on other land and buildings

by way of first fixed charge, all its Property (but excluding any Property made subject to a valid legal mortgage under Clause 3.1.1 (*First legal mortgage on specified land and buildings*)), all other interests in its Property, and any rights under any licence or other agreement or document which gives the Chargor a right to enter upon or use land wherever situated;

3.1.3 First fixed charge on Rental Income

by way of first fixed charge (to the extent not effectively assigned under Clause 3.2(a)) all present and future Rental Income and other sums due to the Chargor under any Lease Document;

3.1.4 First fixed charge on plant and machinery

by way of first fixed charge, all plant and machinery now or in the future owned by it (but not including plant and machinery made subject to a valid legal mortgage or valid fixed charge under Clause 3.1.1 (*First legal mortgage on specified land and buildings*) or Clause 3.1.2 (*First fixed charge on other land and buildings*) above nor any chattels mentioned in Clause 3.1.5 (*First fixed charge on other chattels*)) and the benefit of all Related Rights relating to the same;

3.1.5 First fixed charge on other chattels

by way of first fixed charge, all vehicles, computers now or in the future owned by the Chargor and its interest in any vehicles and/or computers in its possession (but not including any such chattels for the time being forming part of the Chargor's stock in trade or work in progress) and the benefit of all Related Rights relating to the same;

3.1.6 First fixed charge on Investments

by way of first fixed charge, all Investments together with all Distribution Rights from time to time accruing to or on such Investments;

3.1.7 First fixed charge on book debts

- (a) by way of first fixed charge all of its Subordinated Debt;
- (b) by way of first fixed charge, all other present and future book and other debts, revenues and monetary claims owing to it;
- (c) by way of first fixed charge all other moneys due and owing to it; and
- (d) by way of first fixed charge the benefit of all rights in relation to any item under Clause 3.1.7(a) to Clause 3.1.7(c).

3.1.8 First fixed charge on account balances

- (a) by way of first fixed charge, all of its rights in respect of any Blocked Account, any amount standing to the credit of any Blocked Account and the debt represented by it;

- (b) by way of first fixed charge, all of its rights in respect of any Account (other than any Blocked Account), any amount standing to the credit of any Account (other than any Blocked Account) and the debt represented by it; and
- (c) by way of first fixed charge, all of its rights in respect of any account now or at any time (and from time to time) opened, owned, operated, held or maintained by the Chargor (or in which the Chargor has an interest) with any other person (other than the accounts referred to in Clause 3.1.8(a) and Clause 3.1.8(b)) and includes any addition, renewal, replacement, resignation, subdivision, substitution or sub-account of any such account, any amount standing to the credit of any such account and the debt represented by it,

in each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;

3.1.9 **First fixed charge on Material Contracts**

- (a) by way of first fixed charge all of its rights under the Charged Material Contracts and (to the extent not effectively assigned under Clause 3.2 (*Assignment by way of security*)) the Assigned Material Contracts;
- (b) by way of first fixed charge any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of the Charged Material Contracts and (to the extent not effectively assigned under Clause 3.2 (*Assignment by way of security*)) the Assigned Material Contracts, except to the extent that any such sums are subject to any fixed security created under any other term of this Clause 3 (*Charging Clause*);
- (c) by way of first fixed charge all of its rights under any other document, agreement or instrument to which it is party in relation to the Charged Material Contracts and (to the extent not effectively assigned under Clause 3.2 (*Assignment by way of security*)) the Assigned Material Contracts except to the extent that it is subject to any fixed security created under any other term of this Clause 3 (*Charging Clause*);
- (d) by way of first fixed charge any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of any other document, agreement or instrument to which it is party in relation to the Charged Material Contracts and (to the extent not effectively assigned under Clause 3.2 (*Assignment by way of security*)) the Assigned Material Contracts, except to the extent that such sums are subject to any fixed security created under any other term of this Clause 3 (*Charging Clause*);

3.1.10 **First fixed charge on Insurances and Insurance Proceeds**

(to the extent not effectively assigned under Clause 3.2(e)) by way of first fixed charge the Insurances and the benefit of all Insurance Proceeds;

3.1.11 **First fixed charge on Intellectual Property**

(to the extent not effectively assigned under Clause 3.2(f)) by way of first fixed charge the Intellectual Property (if any) together with all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of such Intellectual Property;

3.1.12 **First fixed charge on Authorisations, compensation**

by way of first fixed charge, the benefit of all Authorisations held or utilised by the Chargor in connection with its business or the use of any of its assets (to the extent that such Authorisations are capable of being effectively charged) and the right to recover and receive all compensation which may at any time become payable to it in respect of such Authorisations to the extent permitted by the terms of such Authorisations and save in so far as any such Authorisations are effectively subject to any valid assignment to the Lender pursuant to this Deed; and

3.1.13 **First fixed charge on goodwill and uncalled capital**

by way of first fixed charge, all the goodwill and uncalled capital of the Chargor

3.2 **Assignment by way of security**

As further continuing security for the payment of the Secured Obligations the Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) to the Lender all its rights, title and interest in the following assets:

- (a) the Rental Income, all of its other rights under each Lease Document, and all of its rights under any guarantee of Rental Income contained in or relating to any Lease Document;
- (b) the Assigned Material Contracts and also any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of the Assigned Material Contracts;
- (c) (to the extent not effectively assigned under Clause 3.2(a) or Clause 3.2(b)) the benefit of all covenants, rights, claims, warranties and guarantees relating to the Property including the construction of the Property, its use of or title to the Property, any present or future compensation and damages for the compulsory purchase of, or any blight or disturbance affecting the Property, and the benefit of all easements serving or relating to the Property;
- (d) (to the extent not effectively assigned under Clause 3.2(b)) its rights and interest in any claim against any provider of any certificate of or report on title or the provider of any other due diligence report (in its capacity as provider of the same) in connection with the acquisition, development, financing or refinancing of the Property;
- (e) the Insurances and the benefit of all Insurance Proceeds;
- (f) the Intellectual Property (if any) together with all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of such Intellectual Property, but in the case of any such assignment of Intellectual Property the Lender shall grant to the Chargor a licence to use such Intellectual Property in the ordinary course of its business and for so long as no Enforcement Event has occurred upon such terms as may be specified by the Lender; and
- (g) (to the extent not effectively assigned under Clause 3.2(a) to Clause 3.2(f)) any other document, agreement or instrument to which it is a party and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of such document, agreement or instrument.

3.3 **Notice of assignment or charge**

The Chargor shall:

- (a) immediately following the date of this Deed and at any time upon receiving a request to that effect from the Lender give notice of each such assignment of and/or charge over its right, title and interest (if any) in and to:
- (i) the Insurances and Insurance Proceeds by sending a notice in the form of Schedule 5 (*Form of notice to insurer*) (with such amendments as the Lender may agree in writing) duly completed to each of the other parties to the Insurances;
 - (ii) the account balances expressed to be charged pursuant to Clause 3.1.8 (*First fixed charge on account* balances) by sending a notice in the form of Schedule 8 (*Form of notice to bank operating secured account*) (with such amendments as the Lender may agree in writing) duly completed to any bank, financial institution or other person with whom such account balance is held;
 - (iii) the Material Lease Documents by sending a notice in the form of Schedule 6 (*Form of notice to tenant*) (with such amendments as the Lender may agree in writing) duly completed to each of the tenants under the Lease Documents;
 - (iv) the Material Contracts (other than any Material Lease Documents) by sending a notice in the form of Schedule 7 (*Form of notice to counterparties of Material Contracts*) (with such amendments as the Lender may agree in writing) duly completed to each of the other parties to the Material Contracts; and
 - (v) the Headleases by sending a notice in the form of Schedule 9 (*Form of notice to landlord*) (with such amendments as the Lender may agree in writing) duly completed to each of the relevant landlords,
- (b) upon receiving a request to that effect from the Lender when an Enforcement Event has occurred and is continuing give notice of each such assignment of and/or charge over its right, title and interest (if any) in and to the Lease Documents (other than any Material Lease Documents) by sending a notice in the form of Schedule 6 (*Form of notice to tenant*) (with such amendments as the Lender may agree in writing) duly completed to each of the tenants under the Lease Documents,

and the Chargor shall use reasonable endeavours to procure that within 14 days of the date of its giving each such notice, each such other party delivers an acknowledgement to the Lender in the form of the acknowledgement of notice contained in the relevant notice, in each case with such amendments as the Lender may agree in writing. Nothing in this Clause 3.3 (*Notice of assignment or charge*) shall prevent the Lender from giving any notice it considers necessary or desirable in relation to the Security created over any Secured Asset.

3.4 Exercise of rights under Material Contracts

- 3.4.1 Whilst no Enforcement Event is continuing the Lender shall permit the Chargor to exercise its rights under any of the Material Contracts to which it is party, provided that the exercise of those rights in the manner proposed would not be prejudicial to the interests of the Lender and/or result in an Enforcement Event.
- 3.4.2 Where an Enforcement Event is continuing the Chargor shall exercise its rights under any of the Material Contracts in accordance with the instructions of the Lender.

3.5 Floating charge

- 3.5.1 As further continuing security for the payment to the Lender of the Secured Obligations the Chargor hereby charges in favour of the Lender, by way of first floating charge, all its assets and undertakings whatsoever and whosoever both present and future not effectively charged by way of legal mortgage or fixed charge pursuant to the provisions of Clause 3.1 (*Grant of security*) or effectively assigned by way of security pursuant to Clause 3.2 (*Assignment by way of security*).

- 3.5.2 The floating charge created by the Chargor pursuant to Clause 3.5.1 is a **“qualifying floating charge” for the purposes of** Paragraph 14 of Schedule B1 to the Insolvency Act.
- 3.5.3 Paragraph 14 of Schedule B1 to the Insolvency Act shall apply to this Deed and the Lender may appoint an administrator of the Chargor pursuant to that Paragraph.

3.6 Conversion of floating charge

- 3.6.1 The Lender may at any time by notice in writing to the Chargor convert the floating charge created pursuant to Clause 3.5 (*Floating Charge*) into a fixed charge as regards such assets as it shall specify in the notice in the event that:
- (a) an Enforcement Event is continuing; or
 - (b) the Lender considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy,
- and by way of further assurance the Chargor shall promptly execute a fixed charge over such assets in such form as the Lender shall reasonably require.
- 3.6.2 Subject to Clause 3.6.3, the floating charge created by Clause 3.5 (*Floating charge*) may not be converted into a fixed charge solely by reason of:
- (a) the obtaining of a moratorium; or
 - (b) anything done with a view to obtaining a moratorium,
- under Part A1 of the Insolvency Act 1986.
- 3.6.3 Clause 3.6.2 does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986

3.7 Automatic conversion of floating charge

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

- (a) any other floating charge over the Secured Assets crystallises;
- (b) the Chargor creates (or attempts or purports to create) any Security or a trust over all or any part of the Secured Assets without the prior written consent of the Lender; or
- (c) the Chargor disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised); or
- (d) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
- (e) 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 or receiver in respect of the Chargor, over all or any part of its assets, or if such person is appointed.

3.8 Continuing security

All the Security granted or created by this Deed and each Supplemental Debenture is to be a continuing Security which shall remain in full force and effect notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the

intermediate satisfaction by the Chargor or any other person of the whole or any part of the Secured Obligations.

3.9 Full title guarantee and implied covenants

All the Security created or given under this Deed and any Supplemental Debenture is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.10 Release

On the Discharge Date (but subject to Clause 17.7 (*Avoidance of settlements and other matters*)) the Lender shall at the request and cost of the Chargor execute and do all deeds, acts and things as may be reasonably necessary to release the Secured Assets from the Security constituted hereby or pursuant hereto.

3.11 Miscellaneous

The fact that no or incomplete details of any particular Secured Assets are included or inserted in any relevant schedule shall not affect the validity or enforceability of the Security created by this Deed.

3.12 Contractual arrangements containing prohibitions on securing

3.12.1 If the rights of the Chargor under any document cannot be charged without the consent of any party or the satisfaction of any condition:

- (a) the Chargor must notify the Lender promptly; and
- (b) the Security created by Clause 3.1 (*Grant of security*) and Clause 3.2 (*Assignment by way of security*) over the Chargor's rights under the relevant document will constitute Security over all proceeds and other amounts which the Chargor may receive, or has received under the relevant document but will exclude the Chargor's other rights under that document.

3.12.2 The Chargor undertakes:

- (a) to hold any assets excluded from the Debenture Security by virtue of Clause 3.12.1(b) on trust for the Lender as Security for the payment and discharge of the Secured Obligations;
- (b) to use its best endeavours to obtain the required consent or satisfy the relevant condition as soon as possible;
- (c) to keep the Lender informed of the progress of its negotiations with the relevant party to obtain the required consent or satisfy the relevant condition; and
- (d) to notify the Lender immediately that such consent is given or the relevant condition satisfied.

3.12.3 At any time after receipt of the relevant consent or the satisfaction of the relevant condition, all of the Chargor's rights under the relevant document will be immediately secured in accordance with Clause 3.1 (*Grant of security*) and/or Clause 3.2 (*Assignment by way of security*) (as appropriate) and the trust referred to in Clause 3.12.2(a) shall terminate.

4. FURTHER ASSURANCE

4.1 General

4.1.1 The Chargor must at its own expense promptly do all such acts and things and execute such documents (including deeds, assignments, transfers, mortgages, charges, notices, instructions, assurances, agreements and instruments) as the Lender may require in favour of the Lender or its nominee(s):

- (a) to perfect, protect and maintain (including against any change in or revised interpretation of any law or regulation) the Security created (or intended to be created) under or evidenced by this Deed and any Supplemental Debenture or for the exercise of any rights, powers and remedies of the Lender provided by or pursuant to the Finance Documents or by law; or
- (b) to confer on the Lender Security over any property or assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed and any Supplemental Debenture; or
- (c) (in its absolute discretion) to facilitate the realisation of the assets which are, or are intended to be, the subject of this Deed and any Supplemental Debenture; or
- (d) otherwise for enforcing the same or exercising any of the Lender's rights, powers, authorities or discretions under this Deed and any Supplemental Debenture,

and the Chargor shall take all such action (including the making of all filings and registrations and the payment of all fees and taxes) as may be required by the Lender and/or necessary for the creation, perfection, protection, maintenance or enhancement of any Security conferred or intended to be conferred on the Lender pursuant to this Deed and any Supplemental Debenture.

4.1.2 Any document required to be executed by the Chargor pursuant to Clause 4.1.1 will be prepared at the cost of the Chargor, and will be in such form and will contain such provisions as the Lender may require.

4.2 Additional terms

4.2.1 The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 4.2.2.

4.2.2 The Chargor shall:

- (a) promptly notify the Lender of any contract, conveyance, registration of any interest in, transfer or other disposition or the acquisition by the Chargor (or its nominee(s)) of any Real Property; and
- (b) promptly, following a request by the Lender, enter into a Supplemental Debenture over any Real Property as the Lender may require to protect or perfect the Security created by this Deed and/or to facilitate or effect dealing with the Secured Assets in connection with this Deed.

4.2.3 Any Supplemental Debenture required to be executed by the Chargor pursuant to this Clause 4.2 (*Additional terms*) will be prepared at the cost of the Chargor, and will be in such form and will contain such provisions as the Lender may reasonably require.

4.2.4 The Chargor shall obtain (in form and content reasonably satisfactory to the Lender) as soon as possible all consents necessary, including any consent necessary for any Supplemental Debenture, to enable the assets of the Chargor to be the subject of effective Security pursuant to this Deed and the relevant Supplemental Debenture and, immediately upon obtaining any such consent, the asset concerned shall become

subject to such Security and the Chargor shall promptly deliver a copy of the consent to the Lender.

4.3 Land Registry - application for restriction

4.3.1 In relation to all present and future registered Property (and any other unregistered Property subject to compulsory first registration at the date of this Deed) the Chargor is to apply to the Land Registrar to enter on the register against the title number of or to be allocated to the relevant Property:

(a) on the Land Registry form RX1, a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated *[date of this Deed]* in favour of HSBC UK Bank plc referred to in the charges register or their conveyancer."; **and**

(b) where applicable upon receipt of the Land Registry form CH2 duly completed by the Lender, notice of an obligation to make further advances.

4.3.2 The Chargor must submit the relevant applications no later than the date of submission of the application for registration of Security created by this Deed or the applicable Supplemental Debenture and pay the Expenses incurred in connection with the applications.

4.3.3 The Lender, in its absolute discretion, may make any of the applications referred to in Clause 4.3.1 in place of the Chargor. In such a case, the Chargor consents to the entry of the relevant restriction and will pay the Expenses incurred in connection with the application.

4.4 Exempt information document

4.4.1 The Chargor must at its own expense do whatever the Lender may reasonably require in connection with:

(a) any application by the Lender to have this Deed or any Finance Document designated an exempt information document under Land Registration Rules 2003 rule 136; and

(b) any person's application under Land Registration Rules 2003 rule 137 for disclosure of this Deed or any Finance Document following its designation as an exempt information document.

4.4.2 The Chargor must notify the Lender in writing:

(a) before making any application to have this Deed or any Finance Document designated an exempt information document under Land Registration Rules 2003 rule 136;

(b) as soon as it receives notice of any person's application under Land Registration Rules 2003 rule 137 for disclosure of this Deed or any Finance Document following its designation as an exempt information document; and

(c) before making any application under Land Registration Rules 2003 rule 138 for removal of any such designation.

4.5 Delivery of deed to Land Registry

The Chargor submitting this Deed, any Supplemental Debenture or any counterpart to the Land Registry must on each occasion also submit a certified copy of this Deed or any Supplemental

Debenture and request the return of the original and upon the return of the original it must deliver such original to the Lender.

4.6 Registration of security over Intellectual Property

4.6.1 The Chargor must, at the request of the Lender and at its own cost, prepare, execute and lodge for registration, recording and/or filing (as the case may require) all documents and forms necessary for:

- (a) this Deed and any other deed executed pursuant to this Deed relating to its Intellectual Property (or requisite particulars);
- (b) the Lender's interest in the Chargor's Intellectual Property, present and future;
- (c) any licences or other interests affecting the Chargor's Intellectual Property; and
- (d) any pending or future patents, registered designs, registered trademarks, registered service marks or applications to register any of the same in the name of the Chargor,

to be registered, recorded or filed (as the case may be) on the relevant register maintained by any relevant patent office or registry whether in the United Kingdom or elsewhere and shall do all acts and things necessary, including payment of fees, to give effect to such registration, recording or filing or to such future grant of patent.

4.6.2 The Chargor must perform its obligations under Clause 4.6.1 promptly and efficiently so as to ensure that the particulars of this Deed and of the Lender's interest are recorded as soon as practicable after the date of this Deed but in any event within six months of the date of this Deed and in relation to other deeds or any future filings or registrations of other Intellectual Property within six months of the date of such other deed, or of the date of such filing, or of the Chargor's obtaining any relevant rights.

4.6.3 The Chargor hereby appoints the Lender to act as its agent, at the Chargor's expense, to prepare all such documents and do all things necessary, in the event that the Chargor fails to comply with its obligations under this Clause 4.6 (*Registration of security over Intellectual Property*).

5. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

5.1 Negative pledge

During the Security Period, the Chargor shall not create, extend or permit to subsist any Security over any of the Secured Assets, nor may it:

- (a) sell, transfer or otherwise dispose of any of its assets on terms that they are or may be leased to or re-acquired by any other Chargor;
- (b) sell, transfer or otherwise dispose of any of its receivables;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of borrowing monies or otherwise raising indebtedness (whether actual or contingent and whatever the nature, structure or characteristic of the arrangement or transaction under which the relevant liability arises) or of financing the acquisition of an asset.

5.2 Restrictions on disposal

During the Security Period, the Chargor shall not sell, transfer or otherwise dispose of its interest (whether legal or beneficial) in any of the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge).

5.3 Exceptions

Clause 5.1 (*Negative Pledge*) and Clause 5.2 (*Restrictions on disposals*) do not apply to:

- (a) the Security created or required to be created by this Deed; nor
- (b) any Security or transaction to which the Lender has given its written consent.

6. REPRESENTATIONS AND WARRANTIES

The Chargor represents and warrants to the Lender on the date of this Deed and on each subsequent date upon which there are Secured Obligations outstanding in the terms of the following provisions of this Clause 6 (*Representations and Warranties*).

6.1 Status

The Chargor is a limited liability company, duly incorporated and validly existing under the laws of England and Wales and has the power to own its assets and carry on its business and other activities as they are being conducted.

6.2 Power and enforceability

The Chargor has the power to enter into this Deed and to perform its obligations and exercise its rights under it and the obligations expressed to be assumed by it under this Deed are (and at all relevant times have been) legal, valid, binding and enforceable obligations (subject to the principle that equitable remedies are discretionary and subject to any applicable insolvency laws).

6.3 No Enforcement Event

- 6.3.1 No Enforcement Event has occurred or is continuing or might reasonably be expected to result from the execution of this Deed or from effect being given to its provisions; and
- 6.3.2 no person who holds any Security over the Secured Assets or over any other asset of the Chargor has enforced or given notice of its intention to enforce such Security.

6.4 Non-conflict with other obligations

Neither the execution of this Deed by the Chargor, nor the Chargor's compliance with its terms will:

- (a) conflict with or result in any breach of any law or regulation applicable to it;
- (b) cause any limitation on any of its powers or on the right or ability of its directors to exercise those powers to be exceeded; nor
- (c) constitute a default, acceleration of payment or termination event (however described) under any agreement or instrument binding upon it.

6.5 Authorisations

All Authorisations required or desirable for the execution, delivery, issue, validity or enforceability of this Deed or of the performance of the Chargor's obligations or the exercise of its rights under

this Deed have been obtained and have not been (and the Chargor is not aware of any circumstance having arisen whereby they might be) withdrawn or varied in whole or part.

6.6 Priority of Security

The mortgages, charges and assignments contained in Clause 3 (*Charging Clause*) constitute first priority Security over the assets which are expressed to be secured by such mortgages, charges or assignments and those assets are not subject to any Security (other than Security to which the Lender has consented in writing).

6.7 Matters affecting Shares

- 6.7.1 The Shares specified in Schedule 4 (*Shares*) are at the date of this Deed the only Shares legally and beneficially owned by it;
- 6.7.2 it is and will remain the sole beneficial owner of the Shares and (save where the Shares have been registered in the name of the Lender or its nominee pursuant to the provisions of this Deed) it and/or its nominee is and will remain the absolute legal owner of the Shares, subject to the provisions of this Deed;
- 6.7.3 the Shares are fully paid and neither the Shares nor the Distribution Rights are subject to any Security, equity, encumbrance, option to purchase or similar rights of any person other than the Lender; and
- 6.7.4 the Lender is entitled to be registered or to require a nominee to be registered as member of each of the relevant companies to which such Shares relate without any right of the board of directors of any such company to refuse registration or to consent to such registration only subject to satisfaction of conditions.

7. GENERAL UNDERTAKINGS

The Chargor undertakes to the Lender in the terms of the following provisions of this Clause 7 (*General Undertakings*), all such undertakings to commence on the date of this Deed and to continue throughout the Security Period.

7.1 Perform

The Chargor will at all times comply with the terms (express or implied) of this Deed and of all documents and agreements relating to the Secured Obligations.

7.2 Not to jeopardise Security

The Chargor will not do anything or allow anything to be done which may in any way depreciate, jeopardise or otherwise prejudice the value to the Lender of the Security constituted by this Deed or any Supplemental Debenture or the priority of its ranking as expressed in this Deed or any Supplemental Debenture.

7.3 Maintenance

The Chargor will keep the Property and other Secured Assets in a good and substantial state of repair, working order and condition.

7.4 Insurance

- 7.4.1 The Chargor will obtain, maintain and renew (all at its own expense) insurance cover with reputable insurance companies or underwriters in respect of its business and assets against such risks and to the extent as is usual for companies carrying on the same or substantially similar business (and if applicable in accordance with the recommendations of any insurance report delivered to the Lender in contemplation of or at or around the date of this Deed)).

- 7.4.2 The Chargor will procure and promptly produce to the Lender evidence satisfactory to the Lender that the Insurances are in the names of the Chargor and the Lender as composite insured.
- 7.4.3 The Chargor will promptly pay all premiums and other sums necessary to effect and maintain the Insurances required by the Finance Documents and this Deed and will on demand produce to the Lender the Insurances and evidence that the premiums and other sums have been paid.

7.5 Maintain Intellectual Property

- 7.5.1 The Chargor will observe and perform all covenants and stipulations from time to time affecting the Intellectual Property or the mode of use or the enjoyment of the same, make all payments, carry out all registrations or renewals and generally take all such steps as may be necessary to preserve, maintain and renew when necessary or desirable all Intellectual Property.
- 7.5.2 The Chargor will not do (or fail to do) anything or permit anything to be done, if that might infringe any Intellectual Property owned or used by it or affect the existence or value of any such Intellectual Property or its right or ability to use it.

7.6 Collection of book debts

The Chargor will:

- (a) collect (as agent for the Lender) all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of the Material Contracts and pay into such account as the Lender shall specify all money which it shall receive in respect of such Material Contracts forthwith on receipt and pending such payment it will hold all such money upon trust for the Lender;
- (b) collect (as agent for the Lender) all other Charged Debts and pay into such specially designated account with the Lender or such other account with such other bank as the Lender may from time to time direct all money which it shall receive in respect of such Charged Debts forthwith on receipt and pending such payment it will hold all such money upon trust for the Lender;
- (c) not, without the prior written consent of the Lender, charge, factor, discount, assign or otherwise transfer any of the Charged Debts, in favour of any other person or purport to do so;
- (d) not, without the prior consent of the Lender, withdraw all or any monies from time to time standing to the credit of any Blocked Account, or permit or agree to any variation of the rights attaching to such accounts or close such accounts; and
- (e) (following a request by the Lender) not, without the prior consent of the Lender, withdraw all or any monies from time to time standing to the credit of any other bank account, or permit or agree to any variation of the rights attaching to such accounts or close such accounts.

7.7 Shares and other Investments

- 7.7.1 The Chargor will immediately upon receipt of the same deliver to the Lender copies of all notices, circulars, letters, reports, accounts and other communications with shareholders relating to its holding of the Shares.
- 7.7.2 The Chargor will pay all calls or other payments due and payable in respect of any of the Shares and if it fails to do so the Lender may pay the calls or other payments on its behalf.

- 7.7.3 Save with the prior written consent of the Lender, the Chargor will not:
- (a) take any action whereby or as a consequence of which the rights attaching to the Shares are altered or diluted or the issued capital of any of the companies whose Shares are charged by this Deed is increased;
 - (b) participate in any rights issue relating to the Investments; nor
 - (c) apply for, or consent to, the conversion of any Investments held in certificated form into uncertificated form.
- 7.7.4 Forthwith upon execution of this Deed or upon any subsequent acquisition by it of Shares which are held within CREST or otherwise in uncertificated form, the Chargor will provide to the Lender particulars of such Shares in which it is interested and will give such instructions and enter into such documents as the Lender may reasonably require to perfect the Security over such Shares created by this Deed.
- 7.7.5 On the date of execution of this Deed or upon any subsequent acquisition by it, the Chargor will deliver to the Lender (or as it shall direct) all bearer instruments, share certificates and other documents of title to or evidence of ownership of the Investments and/or the Distribution Rights owned by it or in which it has an interest together with (in the case of Shares, other than bearer instruments, held in certificated form) instruments of transfer in respect of each of the same executed in blank (except for the number and class of Shares and the name of the transferee) and left undated.
- 7.7.6 The Lender may at any time following the occurrence of an Enforcement Event which is continuing complete the instruments of transfer in respect of any or all Investments on behalf of the Chargor in favour of itself or such other person as it shall select, and the Chargor shall procure that such instruments of transfer are forthwith registered and that share certificates in the name of the Lender and/or its nominee(s) in respect of the Investments to which such instrument of transfer relates are promptly delivered to the Lender as soon as reasonably practicable, but in any event no later than two days after the date upon which the Lender has delivered the relevant instrument of transfer.
- 7.7.7 Until the occurrence of an Enforcement Event but not thereafter while such Enforcement Event is continuing, the Chargor:
- (a) will be entitled to receive and retain all dividends, distributions, interest and other monies paid on or derived from the Investments;
 - (b) will be entitled to exercise all voting and other rights and powers attaching to the Shares, provided that it will not exercise any such voting rights or powers in a manner which would prejudice the value of, or the ability of the Lender to realise, the Security created by this Deed and/or otherwise impact upon the rights of the Lender under this Deed; and
 - (c) shall give to the Lender reasonable notice in writing of the manner in which it proposes to exercise the rights and powers referred to in Clause 7.7.7(b).
- 7.7.8 Upon the occurrence of an Enforcement Event and so long as it is continuing the Lender may exercise or refrain from exercising such voting or other rights and powers attaching to the Shares as it thinks fit and may retain any such dividends, payments or other distributions paid on or derived from the Investments, but the Lender will not be under any duty to ensure that any dividend, distributions or other monies payable in respect of those Investments are duly and promptly paid or received by it or its nominee or to verify that the correct amounts are paid or received by it or its nominee or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Investments.

- 7.7.9 Upon the occurrence of an Enforcement Event and while it is continuing, and/or in the event that any Shares are registered in the name of the Chargor or its nominee, the Chargor shall and shall procure that its nominee shall:
- (a) comply with the directions of any Enforcement Party in respect of the exercise of the voting and other rights and powers attaching to the Shares and shall deliver to such Enforcement Party as directed such forms of proxy or other Authorisation as may be required by any Enforcement Party to allow any Enforcement Party to exercise such rights and powers; and
 - (b) hold on trust for and promptly pay or deliver to the Lender any Distribution Rights received by it.

7.8 Material Contracts

The Chargor will:

- (a) perform all its obligations under the Material Contracts in a diligent and timely manner;
- (b) not make or agree to make any amendments or modifications to the Material Contracts or waive any of its rights under the Material Contracts or exercise any right to terminate any of the Material Contracts except with the prior written consent of the Lender; and
- (c) promptly inform the Lender of any material disputes relating to the Material Contracts.

7.9 Access

The Chargor will permit the Lender and its professional advisers, agents and contractors free access at all reasonable times and on reasonable notice (at the risk and cost of the Chargor) (a) to the premises, assets, books, accounts and records of the Chargor and (b) to meet and discuss matters with the Chargor's directors, officers, employees and agents.

7.10 Deposit of documents

The Chargor will promptly at the Lender's request deposit with the Lender (or as the Lender directs):

- (a) all deeds and documents of title relating to the Property including official copies of Land Registry entries, counterpart leases, licences, and any other deeds or documents necessary or desirable to assist the Lender to enforce the Security created by this Deed;
- (b) policies of insurance in respect of which the proceeds of any claims are assigned or charged pursuant to this Deed; and
- (c) all such other documents relating to the Secured Assets as the Lender may from time to time reasonably require.

7.11 Retention of documents

The Lender may retain any document delivered to it pursuant to this Deed until the Discharge Date and if for any reason it ceases to hold any such document before such time, it may by notice to the Chargor require that the relevant document be redelivered to it and the Chargor must immediately comply (or procure compliance) with such notice.

7.12 Power to remedy

If the Chargor fails to comply with any of the covenants and undertakings set out or referred to in Clause 7.1 (*Perform*) to Clause 7.11 (*Retention of documents*) inclusive it will allow (and hereby irrevocably authorises) the Lender and/or such persons as the Lender nominates to take such

action (including the making of payments) on behalf of the Chargor as is necessary to ensure that such covenants are complied with.

7.13 Expenses

The Chargor will pay all Expenses on demand. If it does not do so, the Expenses will bear interest at the Default Rate from and including the date of demand to and including the date of actual payment.

7.14 Indemnity

The Chargor will indemnify the Lender and will keep the Lender indemnified against all losses, liabilities and Expenses incurred by the Lender as a result of a breach by the Chargor of its obligations under Clause 7.1 (*Perform*) to Clause 7.13 (*Expenses*) inclusive and in connection with the exercise by the Lender of its rights contained in Clause 7.12 (*Power to remedy*). All sums the subject of this indemnity will be payable by the Chargor to the Lender on demand and if not so paid will bear interest at the Default Rate.

8. WHEN SECURITY BECOMES ENFORCEABLE

8.1 The Debenture Security shall become immediately enforceable upon the earlier of:

- 8.1.1 the date the Lender demands repayment of any of the Secured Obligations in accordance with the Finance Documents;
- 8.1.2 the date the Chargor breaches or fails to comply with a provision of this Deed or any other Finance Document (subject to the expiry of any applicable grace or remedy periods set out in the relevant Finance Document);
- 8.1.3 any step being taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator or receiver in respect of the Chargor, over all or any part of its assets, or if such person is appointed;
- 8.1.4 any Security created pursuant to any other Finance Document becoming enforceable;
- 8.1.5 the date on which the floating charge created pursuant to this Deed crystallises (or becomes capable of crystallising) or
- 8.1.6 the request of the Chargor.

8.2 After the Debenture Security has become enforceable, the Lender may in its absolute discretion enforce all or any part of the Debenture Security in such manner as it thinks fit including, but not limited to, the appointment of an administrator of the Chargor.

8.3 The power of sale and other powers conferred by section 101 of the LPA (as amended or extended by this Deed) shall be immediately exercisable at any time after the Debenture Security has become enforceable.

9. ENFORCEMENT OF SECURITY

9.1 For the purposes of all powers implied by the LPA or any other applicable statute, the Secured Obligations shall be deemed to have become due and payable on the date of this Deed.

9.2 Sections 93 and 103 of the LPA shall not apply to the Debenture Security.

9.3 The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make arrangements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with any provision of section 99 or section 100 of the LPA.

- 9.4 At any time after the Debenture Security has become enforceable or if so requested by the Chargor at any time, the Lender may without further notice appoint by way of deed, under seal or in writing under its hand one or more than one Receiver in respect of all or any part of the Secured Assets or any of them and if more than one Receiver is appointed each Receiver may act jointly and severally or individually.
- 9.5 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA) does not apply to this Deed or any Supplemental Debenture.
- 9.6 The Lender is not entitled to appoint a Receiver solely as a result of obtaining a moratorium (or anything done with a view to obtaining a moratorium) under section 1A Insolvency Act.
- 9.7 The Lender may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver and appoint another Receiver and the Lender may also appoint an alternative or additional Receiver.
- 9.8 The Receiver will, so far as the law permits, be the agent of the Chargor and the Chargor alone will be responsible for the acts or defaults of the Receiver and will be liable on any contracts or obligations made or entered into by the Receiver. The Lender will not be responsible for any misconduct, negligence or default of the Receiver.
- 9.9 The Lender shall not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.
- 9.10 The powers of the Receiver will continue in full force and effect following the liquidation of the Chargor.
- 9.11 The remuneration of the Receiver may be fixed by the Lender (without the restrictions contained in section 109 of the LPA) but will be payable by the Chargor. The amount of the remuneration will form part of the Secured Obligations.
- 9.12 The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.
- 9.13 The Receiver will have the power on behalf and at the cost of the Chargor:
 - 9.13.1 to do or omit to do anything which the Receiver considers appropriate in relation to the Secured Assets; and
 - 9.13.2 to exercise all or any of the powers conferred on the Receiver or the Lender under this Deed or conferred upon administrative receivers by the Insolvency Act (even if the Receiver is not an administrative receiver), or upon receivers by the LPA or any other statutory provision (even if the Receiver is not appointed under the LPA or such other statutory provision).
- 9.14 Without prejudice to the general powers set out in Clause 9.13 a Receiver will also have following powers and discretions:
 - 9.14.1 to enter upon and take possession of the Secured Assets;
 - 9.14.2 to collect and get in all rents, fees, charges or other income of the Secured Assets;
 - 9.14.3 generally to manage the Secured Assets and to manage or carry on, reconstruct, amalgamate, diversify or concur in carrying on the business of the Chargor or any part of it as the Receiver may think fit;
 - 9.14.4 without restriction, to sell, charge, grant, vary the terms or accept surrenders of, leases or tenancies of, licences to occupy, or options or franchises over or otherwise deal with

and dispose of the Secured Assets or any property acquired in exercise of its powers under this Deed;

- 9.14.5 to purchase or acquire any land and purchase, acquire or grant any interest in or right over land;
- 9.14.6 to take a lease or tenancy of any property required or convenient for the business of the Chargor or the exercise of the Receiver's powers under this Deed;
- 9.14.7 to exercise on behalf of the Chargor and without the consent of or notice to the Chargor all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to leasehold property, landlord and tenant, rents, housing or agriculture in respect of the Property;
- 9.14.8 for the purpose of exercising any of the rights, powers, authorities and discretions conferred on the Receiver by or pursuant to this Deed and/or for defraying any losses or Expenses which may be incurred by the Receiver in their exercise or for any other purpose, to raise or borrow moneys from the Lender or others or incur any other liability on such terms, whether secured or unsecured, as the Receiver may think fit, and whether to rank in priority to this Security or not;
- 9.14.9 to appoint and discharge employees, officers, consultants, advisers, managers, agents, solicitors, accountants or other professionally qualified persons, workmen and others for any of the purposes of this Deed or to guard or protect the Secured Assets upon such terms as to remuneration or otherwise as the Receiver may think fit and to discharge any such persons appointed by the Chargor prior to the Receiver's appointment;
- 9.14.10 in the name of the Chargor, to bring, prosecute, enforce, defend and discontinue all such actions, suits and proceedings, in relation to the Chargor, the business of the Chargor or the Secured Assets as in any case the Receiver shall think fit;
- 9.14.11 to settle, adjust, refer to arbitration or expert determination, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or body who is or claims to be a creditor of the Chargor or relating in any way to the Secured Assets;
- 9.14.12 to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Secured Assets;
- 9.14.13 to obtain Authorisations for and to carry out on the Property any new works or complete any unfinished works of development, building, reconstruction, maintenance, repair, renewal, improvement, furnishing or equipment;
- 9.14.14 to enter into, vary, cancel or waive any of the provisions of any contracts which the Receiver shall in any case think expedient in the interests of the Chargor or the Lender;
- 9.14.15 to purchase materials, tools, equipment, goods or supplies on such terms and at such price as the Receiver in the Receiver's absolute determination thinks fit;
- 9.14.16 to insure the Secured Assets, any assets acquired by the Receiver in exercise of his powers, and any business or works, and effect indemnity insurance or other similar insurance, in every case in such amounts, against such risks and with such offices as the Receiver shall think fit, and obtain bonds and give indemnities and Security to any bondsmen;
- 9.14.17 to sever fixed plant, machinery or other Fixtures and store, sell or otherwise deal with them separately from the Property to which they may be annexed;

- 9.14.18 to remove, store, sell or otherwise deal with any chattels located at the Property;
 - 9.14.19 to promote or establish any company or to acquire shares in any company (whether as a subsidiary of the Chargor or otherwise) to facilitate the exercise of the Receiver's powers under this Deed;
 - 9.14.20 to transfer to any such company all or any of the Secured Assets or other assets acquired by the Receiver in exercise of the Receiver's powers;
 - 9.14.21 to exercise or cause to be exercised all voting and other rights attaching to, and to charge, sell or otherwise transfer any shares in any such company;
 - 9.14.22 to exercise all voting and other rights attaching to the Investments and all other stocks, shares and securities owned by the Chargor and comprised in the Secured Assets in such manner as the Receiver may think fit;
 - 9.14.23 to make, or require the directors of the Chargor to make, calls conditionally or unconditionally on the members of the Chargor in respect of uncalled capital; and take action to enforce payment of unpaid calls;
 - 9.14.24 to carry into effect and complete any transaction;
 - 9.14.25 to redeem any prior Security (or procure the transfer of such Security to an Enforcement Party) and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver; and
 - 9.14.26 either in the name of the Chargor or in the name of the Receiver to execute documents and do all other acts or things which the Receiver may consider to be incidental or conducive to any of the Receiver's powers or to the realisation or use of the Secured Assets.
- 9.15 If (notwithstanding any representation or warranty to the contrary contained in this Deed and any Supplemental Debenture) there shall be any Security affecting the Secured Assets or any of them which ranks in priority to the Security created by this Deed or any Supplemental Debenture and the holder of such prior Security takes any steps to enforce such Security, the Lender or any Receiver may, at its option, take a transfer of, or repay the indebtedness secured by, such Security.
- 9.16 The Lender may, at any time after this Deed or any Supplemental Debenture has become enforceable pursuant to Clause 8 (*When security becomes enforceable*), exercise, to the fullest extent permitted by law, all or any of the powers, authorities and discretions conferred on a Receiver by this Deed or any Supplemental Debenture (either expressly or impliedly) or by law, whether as attorney of the Chargor or otherwise and whether or not a Receiver has been appointed.
- 9.17 The Lender and any Receiver shall also have and enjoy all the other powers, privileges, rights and protections conferred by the LPA on mortgagees and receivers duly appointed under the LPA, except that section 103 of the LPA does not apply.
- 9.18 The Lender may, in writing, either in its appointment of a Receiver or by subsequent notice to that Receiver, restrict the right of such Receiver to exercise all or any of the powers conferred on Receivers by this Deed and any Supplemental Debenture.

10. FINANCIAL COLLATERAL

- 10.1 To the extent that:
 - 10.1.1 the Secured Assets constitute Financial Collateral; and

- 10.1.2 this Deed and the obligations of the Chargor under it constitute a Security Financial Collateral Arrangement,

the Lender shall have the right, at any time after the Security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Obligations in any order that the Lender may, in its absolute discretion, determine.

- 10.2 The value of any Secured Assets appropriated in accordance with this Clause shall be:

10.2.1 in the case of cash, the amount standing to the credit of each of the Chargor's accounts with any bank, financial institution or other person, together with all interest accrued but unposted, at the time the right of appropriation is exercised; and

10.2.2 in the case of Investments, the price of those Investments at the time the right of appropriation is exercised as listed on any recognised market index or determined by any other method that the Lender may select (including independent valuation).

- 10.3 The Chargor agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

11. APPLICATION OF PROCEEDS

11.1 Order of application

Subject to Clause 11.4 (*Suspense Account*), all amounts from time to time received or recovered by the Lender and/or any Receiver pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Debenture Security (for the purposes of this Clause 11 (*Application of Proceeds*), the **Recoveries**) shall be held by the Lender and/or such Receiver (as applicable) and applied at any time as the Lender (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 11 (*Application of Proceeds*)), in the following order:

- (a) in payment of all costs and expenses incurred by the Lender, any Receiver and/or any Delegate in connection with any realisation or enforcement of this Deed; and
- (b) towards the Secured Obligations in any order selected by the Lender.

11.2 Right of appropriation

Subject to Clause 11.1 (*Order of application*), the Lender is entitled to appropriate money and/or assets to Secured Obligations in such manner or order as it thinks fit and any such appropriation shall override any appropriation by the Chargor.

11.3 Insurances

All monies received by virtue of any Insurances maintained or effected in respect of the Secured Assets (subject as otherwise provided in the Finance Documents) shall be paid to the Lender (or if not paid by the insurers directly to the Lender shall be held on trust for the Lender) and shall, at the option of the Lender be applied in replacing or reinstating the property or assets destroyed, damaged or lost (any deficiency being made good by the Chargor) or in reduction of the Secured Obligations.

11.4 Suspense account

Following acceleration of any Secured Obligations the Lender may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Lender with such financial institution (including itself) and for so long as the Lender shall think fit (the interest being credited to the relevant account) for later application under Clause 11.1 (*Order of Application*) in respect of:

- (a) any sum to the Lender, any Receiver or any Delegate; and
- (b) any part of the Secured Obligations,

that the Lender reasonably considers, in each case, might become due or owing at any time in the future.

11.5 Investment of proceeds

Prior to the application of the proceeds of the Recoveries in accordance with Clause 11.1 (*Order of Application*) the Lender may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Lender with such financial institution (including itself) and for so long as the Lender shall think fit (the interest being credited to the relevant account) pending the application from time to time of those moneys in the **Lender's discretion in accordance with the provisions of this Clause 11.5** (*Investment of proceeds*).

11.6 Permitted Deductions

The Lender shall be entitled, in its discretion:

- (a) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement; and
- (b) to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties under any of the Finance Documents

12. PROTECTION OF THIRD PARTIES

12.1 No duty to enquire

No person (including a purchaser) dealing with any Enforcement Party or its or his/her agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which any Enforcement Party is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due to any Enforcement Party; or
- (d) how any money paid to any Enforcement Party is to be applied.

12.2 Receipt conclusive

Receipt by the Lender or any Receiver shall be an absolute and a conclusive discharge to a purchaser of the Secured Assets and shall relieve such purchaser of any obligation to see to the application of any monies paid to or by the direction of the Lender or any Receiver.

13. REDEMPTION OF PRIOR MORTGAGES

13.1 At any time after this Debenture Security has become enforceable, the Lender may:

- 13.1.1 redeem any prior Security against any Secured Asset; and/or
- 13.1.2 procure the transfer of that Security to itself; and/or

13.1.3 settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.

13.2 The Chargor must pay to the Lender, immediately on demand, the costs and expenses incurred by the Lender in connection with any such redemption and/or transfer, including the payment of any principal or interest.

14. PROTECTION OF LENDER

14.1 Lender's receipts

The Lender shall not be obliged to account to the Chargor, nor to any other person, for anything other than its own actual receipts which have not been distributed or paid to the person entitled (or who the Lender, acting reasonably, believes to be entitled) in accordance with the requirements of this Deed or any Supplemental Debenture.

14.2 Exclusion of liability

14.2.1 No Enforcement Party will be liable to the Chargor for any expense, loss, liability or damage incurred by the Chargor arising out of the exercise of its rights or powers or any attempt or failure to exercise those rights or powers, except for any expense, loss, liability or damage arising from its gross negligence, fraud or wilful misconduct.

14.2.2 The Chargor may not take any proceedings against any officer, employee or agent of any Enforcement Party in respect of any claim it might have against such Enforcement Party or in respect of any act or omission of any kind by that officer, employee or agent in relation to this Deed or any Supplemental Debenture.

14.2.3 Any officer, employee or agent of any Enforcement Party may rely on this Clause 14 (*Protection of Lender*) under the Third Parties Act.

14.3 Effect of possession

If the Lender or any Receiver enters into possession of the Secured Assets or any of them, this will not oblige either the Lender or the Receiver to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable, and if the Lender enters into possession at any time of the Secured Assets or any of them it may at any time at its discretion go out of such possession.

14.4 Chargor's indemnity

The Chargor agrees with the Lender to indemnify the Lender and any Receiver or Delegate on demand against any costs, expenses, fees, claims, damages, demands, proceedings, losses or liabilities incurred by any of them in respect of:

- (a) a breach by the Chargor of any of the terms of the Finance Documents;
- (b) any exercise of the powers of the Lender, Receiver or Delegate or any attempt or failure to exercise those powers (including pursuant to Clause 15 (*Power of Attorney*)); and
- (c) anything done or omitted to be done in the exercise or purported exercise of the powers under this Deed or under any appointment duly made under the provisions of this Deed or any Supplemental Debenture.

15. POWER OF ATTORNEY

15.1 Grant of power

The Chargor irrevocably and by way of Security appoints the Lender and each Receiver and any person nominated for the purpose by the Lender or the Receiver (in writing, under hand, signed by an officer of the Lender or by the Receiver) severally to be the attorney of the Chargor (with full power of substitution and delegation) for the purposes set out in Clause 15.2 (*Extent of power*).

15.2 Extent of power

The power of attorney granted in Clause 15.1 (*Grant of power*) allows the Lender, the Receiver or such nominee, in the name of the Chargor, on its behalf and at its expense and as its act and deed to:

- (a) perfect, protect and maintain the Security given by the Chargor under this Deed and any Supplemental Debenture; and
- (b) execute, seal and deliver (using the **Chargor's seal where appropriate**) any document or do any act or thing which the Chargor may, ought or has agreed to execute or do under this Deed or any Supplemental Debenture or which the Lender, the Receiver, or such nominee may in their absolute discretion consider appropriate in connection with the exercise of any of the rights, powers, authorities or discretions of the Lender or the Receiver under, or otherwise for the purposes of, this Deed and any Supplemental Debenture.

15.3 Ratification

The Chargor covenants with the Lender to ratify and confirm all acts or things made, done or executed by any attorney exercising or purporting to exercise the powers conferred in accordance with this Clause 15 (*Power of Attorney*).

16. APPLICATION, VARIATION AND EXTENSION OF STATUTORY PROVISIONS

16.1 Application of statutory covenants

The covenants set out in sections 2 to 5 Law of Property (Miscellaneous Provisions) Act 1994 shall extend to bind the Chargor only if, in any case, the relevant covenant imposes upon the Chargor a burden, liability or obligation that would not otherwise arise under this Deed or any Supplemental Debenture.

16.2 Consolidation of mortgages

The restriction on the consolidation of mortgages in section 93 LPA does not apply to this Deed nor to any Security given to the Lender pursuant to this Deed or any Supplemental Debenture.

16.3 Powers of leasing - Chargor

The statutory and other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be exercisable by the Chargor in relation to the Secured Assets or any part thereof.

16.4 Application of proceeds

Sections 105, 107(2), 109(6) and 109(8) LPA will not apply to the Lender nor to a Receiver appointed under this Deed or any Supplemental Debenture.

17. PROTECTION OF SECURITY

17.1 Powers, rights and remedies cumulative

The powers, rights and remedies provided in this Deed and each Supplemental Debenture are in addition to (and not instead of) powers, rights and remedies under law.

17.2 Exercise of powers, rights and remedies

If an Enforcement Party fails to exercise any power, right or remedy under this Deed or any Supplemental Debenture or delays its exercise of any power, right or remedy, this does not mean that it waives that power, right or remedy. If an Enforcement Party exercises, or partly exercises, a power, right or remedy once, this does not mean that it cannot exercise such power right or remedy again, fully or in part.

17.3 Discretion

17.3.1 The Lender may decide:

- (a) whether and, if so, when, how and to what extent (i) to exercise its rights under this Deed and any Supplemental Debenture; and (ii) to exercise any other right it might have in respect of the Chargor (or otherwise); and
- (b) when and how to apply any payments and distributions received for its own account under this Deed or any Supplemental Debenture,

and the Chargor has no right to control or restrict the Lender's exercise of this discretion.

17.3.2 No provision of this Deed or any Supplemental Debenture will interfere with the Lender's right to arrange its affairs as it may in its absolute discretion decide (nor oblige it to disclose any information relating to its affairs), except as expressly stated.

17.4 Set-off and combination of accounts

17.4.1 No right of set-off or counterclaim may be exercised by the Chargor in respect of any payment due to the Lender under this Deed or any Supplemental Debenture.

17.4.2 The Lender may at any time after the Debenture Security has become enforceable and without notice to the Chargor:

- (a) combine or consolidate all or any of the Chargor's then existing accounts with, and liabilities to, the Lender; and
- (b) set off any matured obligation due from the Chargor (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender's Group to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

17.5 Power to open new account

If the Lender receives notice of a subsequent mortgage, assignment or charge relating to the Secured Assets, it will be entitled to close any account and to open a new account in respect of the closed account. If the Lender does not open such new account, it will in any event be treated as if it had done so at the time when it received such notice.

17.6 Information

The Chargor authorises the holder of any prior or subsequent Security to provide to the Lender, and the Lender to receive from such holder, details of the state of account between such holder and the Chargor.

17.7 Avoidance of settlements and other matters

- 17.7.1 Any payment made by the Chargor, or settlement or discharge between the Chargor and the Lender, is conditional upon no Security or payment to the Lender by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and accordingly (but without limiting the Lender's other rights under this Deed and any Supplemental Debenture) the Lender shall be entitled to recover from the Chargor the value which the Lender has placed upon such Security or the amount of any such payment as if such payment, settlement or discharge had not occurred.
- 17.7.2 If the Lender considers that any amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or ordered to be refunded or reduced for the reasons set out in Clause 17.7.1, then for the purposes of this Deed and each Supplemental Debenture such amount shall not be considered to have been irrevocably paid.

17.8 Further advances

The Lender shall perform its obligations to the extent arising under the Finance Documents to make further advances. The Security constituted by this Deed has been made for securing such further advances.

17.9 Waiver of immunity

To the extent that the Chargor may be entitled in any jurisdiction to claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process of any kind wherever it might originate or to the extent that in any such jurisdiction there may be attributed to the Chargor or its assets such immunity (whether or not claimed), it hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction.

17.10 Time Deposits

Without prejudice to the provisions of Clause 17.4 (*Set-off and combination of accounts*), if during the Security Period a time deposit matures on any account which the Chargor holds with the Lender and an Enforcement Event has arisen which is continuing but no amount of Secured Obligations has fallen due and payable such time deposit shall be renewed for such further maturity as the Lender may in its absolute discretion determine.

17.11 Perpetuity Period

The perpetuity period applicable to the trusts created by this Deed and each Supplemental Debenture is 125 years.

17.12 Additional currency provisions

- 17.12.1 All monies received or held by the Lender or any Receiver under this Deed may be converted into such other currency as the Lender considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at a market rate of exchange.

- 17.12.2 The obligations of the Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

18. COMMUNICATIONS

18.1 Communications in writing

Any communication to be made under or in connection with this Deed and each Supplemental Debenture shall be made in writing and, unless otherwise stated, may be made by fax or letter.

18.2 Addresses

The address and fax number (if any) (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed (or any Supplemental Debenture) is that identified with its name below or any substitute address or fax number or department or officer as the Chargor may notify to the Lender (or the Lender may notify to the Chargor, if a change is made by the Lender) by not less than five Business Days' notice.

18.3 Delivery

- 18.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed and/or any Supplemental Debenture will only be effective:

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under this Deed, if addressed to that department or officer.

- 18.3.2 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

- 18.3.3 Any communication or document made or delivered to the Chargor in accordance with this Clause 18 (*Communications*) will be deemed to have been made or delivered to the Chargor.

- 18.3.4 Any communication or document which becomes effective, in accordance with this Clause 18 (*Communications*), after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

18.4 Electronic communication

- 18.4.1 Any communication to be made between any two Parties under or in connection with this Deed and/or any Supplemental Debenture may be made by electronic mail or other electronic means to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if those two Parties:

- (a) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

- (b) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

18.4.2 Any electronic communication made between those two Parties will be effective only when actually received in readable form and in the case of any electronic communication made by a Party to the Lender only if it is addressed in such a manner as the Lender shall specify for this purpose.

18.4.3 Any electronic communication which becomes effective, in accordance with this Clause 18 (*Communications*) , after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

18.5 English language

18.5.1 Any notice given under or in connection this Deed and any Supplemental Debenture must be in English.

18.5.2 All other documents provided under or in connection with this Deed and any Supplemental Debenture must be:

- (a) in English; or
- (b) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

19. ASSIGNMENT AND TRANSFER

19.1 No assignment by the Chargor

The Chargor shall not assign, novate, transfer or otherwise deal with its rights or obligations under or interests in this Deed or any Supplemental Debenture, except with the prior written consent of the Lender.

19.2 Transfer by Lender

Save as otherwise provided in the Finance Documents:

- (a) the Lender may at any time assign, novate, transfer or otherwise deal with any rights or obligations under or interests in this Deed and any Supplemental Debenture;
- (b) the Lender may disclose any information about the Chargor, the Secured Assets, any Supplemental Debenture and/or this Deed to any person to whom it proposes to assign, novate or transfer (or has assigned, novated or transferred) any rights or obligations under or interests in this Deed, or with whom it proposes to enter into (or has entered into) any other dealings in relation to any such rights, obligations or interests;
- (c) any person to whom the benefit of all such rights has been transferred, subject to such obligations, may enforce this Deed in the same way as if it had been a Party instead of the Lender; and
- (d) if the Lender transfers part only of its rights in respect of the Secured Obligations to any person, then this Deed and each Supplemental Debenture shall thereupon be deemed to have been entered into by the Lender and such other person.

20. RANKING

The Chargor hereby consents to the Lender and the Lender's Group entering into priority, intercreditor or other similar arrangements (to which the Chargor may not be a party) to regulate

the ranking of the security granted by the Chargor under this Deed and any security granted by the Chargor in favour of the Lender's Group.

21. GOVERNING LAW AND JURISDICTION

21.1 Governing law

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

21.2 Jurisdiction

- 21.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed and each Supplemental Debenture (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed or any Supplemental Debenture) (**Dispute**).
- 21.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 21.2.3 Notwithstanding Clause 21.2.1 and Clause 21.2.2, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

22. THIS DEED

22.1 Consideration

The Chargor has entered into this Deed and each Supplemental Debenture in consideration of the Lender agreeing to provide (or to continue to provide) finance facilities to it on the terms agreed between them.

22.2 Execution of this Deed

- 22.2.1 If the Parties execute this Deed in separate counterparts, this Deed will take effect as if they had all executed a single copy.
- 22.2.2 This Deed is intended to be a deed even if any Party's execution is not in accordance with the formalities required for the execution of deeds.

22.3 Amendments and waivers

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

22.4 Partial invalidity

- 22.4.1 If, at any time, any provision of this Deed or any Supplemental Debenture is or is found to have been illegal, invalid or unenforceable in any respect under the law of any jurisdiction, this does not affect the legality, validity or enforceability of the other provisions of this Deed or any Supplemental Debenture, nor the legality, validity or enforceability of the affected provision under the law of any other jurisdiction.
- 22.4.2 If any Party is not bound by this Deed or any Supplemental Debenture (or any part of this Deed or that Supplemental Debenture) for any reason, this does not affect the

obligations of each other Party under this Deed or that Supplemental Debenture (or under the relevant part of this Deed or that Supplemental Debenture).

22.5 Other security

This Deed and each Supplemental Debenture is in addition to, and does not operate so as in any way to prejudice or affect, or be prejudiced or affected by, any other Security or guarantee which the Lender may now or at any time after the date of this Deed hold for or in respect of the Secured Obligations.

22.6 Ownership of this Deed

This Deed and each Supplemental Debenture and every counterpart of this Deed and each Supplemental Debenture is the property of the Lender.

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

SCHEDULE 1

Bank accounts

Part 1- Blocked Accounts

| | Account name | Sort Code | Account number |
|---|--------------|-----------|----------------|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |

Part 2 - Other Accounts

| | Account name | Sort Code | Account number |
|---|--------------|-----------|----------------|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |

SCHEDULE 2

Material Contracts

[This schedule has been intentionally left blank]

SCHEDULE 3

Details of property

| Description: | Tenure: | Title Number (if registered) or other description (if unregistered) |
|--------------|---------|---|
| | | |

SCHEDULE 4

Shares

[This schedule has been intentionally left blank]

SCHEDULE 5**Form of notice to insurer**

To: [name and address of insurer]

Re: The policies of insurance referred to in the schedule below (Policies)

We, [CHARGOR] (**Chargor**), hereby give you notice that, by a debenture dated [date] (**Debenture**) and made by the Chargor in favour of [●] (**Lender**), the Chargor has assigned to the Lender, as first priority assignee all of the respective Policies taken out by the Chargor or on its behalf with you as are assignable or as are capable of being assigned by law, and all their right, title and interest under and in respect of the Policies (including, but not limited to, the benefit of all sums assured by the Policies and all bonuses, profits, returns of premium and other benefits of whatever nature arising by virtue of the Chargor's ownership of the Policies and all interest on any of the foregoing) as security for certain obligations now or hereafter owed by the Chargor to the Lender.

We hereby irrevocably and unconditionally authorise you:

1. to name the Lender as composite insured in respect of its own insurable interest under each of the Policies (other than public liability and third party liability insurance) but without liability on the part of the Lender for any premium in relation to the Policies;
2. to ensure that the Lender is sole loss payee of the proceeds of such Policies [in respect of claims in excess of £25,000] (other than in respect of any claim under any public liability and third party liability insurances);
3. to disclose to the Lender without any reference to or further authority from the Chargor (and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Lender may request;
4. to pay any sums due and payable under the Policies in accordance with any written instructions given to you by the Lender from time to time;
5. to comply with the terms of any notice or instructions relating to the Policies which you receive from the Lender (without any reference to or further authority from the Chargor and without any enquiry by you as to the justification for or validity of such notice or instruction); and
6. send copies of all notices issued under the Policies to the Lender as well as the Chargor.

Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Chargor) by way of acknowledgement of this notice and confirmation that you agree:

7. to the terms set out in this notice and to act in accordance with its provisions;
8. not to cancel or decline renewal of any of the Policies without giving us 30 days prior written notice; and
9. not to cancel the Policies, nor allow the Policies to lapse, at the request of the Chargor, without first obtaining our consent.

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

For and on behalf of: **[CHARGOR]**

By:

The Policies*

| | Policy number | Name and address of insurer | Name and address of broker | Brief description of assets insured | Date of expiry of policy |
|---|----------------------|------------------------------------|-----------------------------------|--|---------------------------------|
| 1 | [number] | | | | |
| 2 | [number] | | | | |
| 3 | [number] | | | | |
| 4 | [number] | | | | |
| 5 | [number] | | | | |

*To be completed by the Chargor and approved by the Lender and to include all relevant policies with the named Insurer

Dated *[date]*

[to be endorsed on copy notice]

To: [name and address of Lender]

Copy to: [name and address of Chargor]

We hereby acknowledge receipt of the above notice and confirm our agreement to the matters set out in paragraphs A to D (inclusive) above.

Signed

for and on behalf of *[name of insurer]*

Dated: [date]

SCHEDULE 6**Form of notice to tenant**

To: [name and address of tenant]

Dated: [date]

We refer to a lease dated [date] (**Lease**) between [●] (*name of Chargor*) (**Chargor**) and you in respect of [Property] (**Property**).

We, the Chargor, hereby notify you that by a debenture dated [date] made by the Chargor in favour of [Lender] (**Lender**), the Chargor has charged or assigned absolutely (subject to a proviso for reassignment on redemption) to the Lender all of the Chargor's rights, title and interest in the Lease and in all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Property, including each of the following amounts:

1. rent, licence fees and equivalent amounts paid or payable;
2. any sum received or receivable from any deposit held as security for performance of your obligations;
3. a sum equal to any apportionment of rent allowed our favour;
4. any other moneys paid or payable in respect of occupation and/or usage of the Property and any fixture and fitting on the Property including any fixture or fitting on the Property for display or advertisement, on licence or otherwise;
5. any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;
6. any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement or extension of the Lease;
7. any sum paid or payable in respect of a breach of covenant or dilapidations under the Lease;
8. any sum paid or payable by or distribution received or receivable from any guarantor of your obligations under the Lease;
9. any amount paid or payable to us by you by way of contribution to ground rent, insurance premia, the cost of an insurance valuation, a service or other charge in respect of our costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, the Property or a reserve or sinking fund or by way of VAT; and
10. any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by the Chargor,

(together, **Rental Income**), as security for certain obligations now or hereafter owed by the Chargor to the Lender.

We further notify and irrevocably and unconditionally instruct and authorise you that:

11. you may continue to deal with the Chargor in relation to the Lease until you receive written notice to the contrary from the Lender, thereafter the Chargor will cease to have any right to deal with you in relation to the Lease and therefore from that time you should deal only with the Lender;

12. you are authorised to disclose information in relation to the Lease to the Lender on request without any enquiry by you as to the justification for such disclosure or reference to or further authority from the Chargor;
13. you must pay or release all monies to which the Chargor is entitled under the Lease into the following account unless the Lender otherwise agrees in writing:
 - account number:
 - sort code:
 - account name:
14. you must supply copies of all notices and other information under the Lease to the Lender; and
15. the provisions of this notice may only be revoked with the written consent of the Lender.

Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Chargor) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions; and
- (b) you have not received notice that the Chargor has charged or assigned its rights under the Lease to a third party or created any other interest (whether by way or security or otherwise) in the Lease in favour of a third party.

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

Yours faithfully, for and on behalf of *[Chargor]*

[to be endorsed on copy notice]

To: [name and address of Lender]

Copy to: [name and address of Chargor]

We hereby acknowledge receipt of the above notice and confirm our agreement to the matters set out in paragraphs (a) and (b) above.

Signed

for and on behalf of [name of tenant]

Dated: [date]

SCHEDULE 7

Form of notice to counterparties of Material Contracts

To: [name and address of counterparty]

Dated: [date]

[here identify relevant Material Contract] [**Contract**] made between (1) [Chargor] (**Chargor**) and (2) [here insert name of counterparty]

We, the Chargor, hereby notify you that by a debenture dated [date] made by the Chargor in favour of [Lender] (**Lender**), the Chargor has charged [or assigned absolutely (subject to a proviso for reassignment on redemption)] to the Lender all of the Chargor's rights, title and interest in the Contract as security for certain obligations now or hereafter owed by the Chargor to the Lender.

We further notify and irrevocably and unconditionally instruct and authorise you that:

1. you may continue to deal with the Chargor in relation to the Contract until you receive written notice to the contrary from the Lender, thereafter the Chargor will cease to have any right to deal with you in relation to the Contract and therefore from that time you should deal only with the Lender;
2. you are authorised to disclose information in relation to the Contract to the Lender on request without any enquiry by you as to the justification for such disclosure or reference to or further authority from the Chargor;
3. you must pay or release all monies to which the Chargor is entitled under the Contract into the following account unless the Lender otherwise agrees in writing:
 - account number:
 - sort code:
 - account name:
4. you must supply copies of all notices and other information under the Contract to the Lender; and
5. the provisions of this notice may only be revoked with the written consent of the Lender.

Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Chargor) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions; and
- (b) you have not received notice that the Chargor has charged or assigned its rights under the Contract to a third party or created any other interest (whether by way or security or otherwise) in the Contract in favour of a third party.

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

Yours faithfully, for and on behalf of [Chargor]

[to be endorsed on copy notice]

To: [name and address of Lender]

Copy to: [name and address of Chargor]

We hereby acknowledge receipt of the above notice and confirm our agreement to the matters set out in paragraphs (a) and (b) above.

Signed

for and on behalf of [name of counterparty]

Dated: [date]

SCHEDULE 8**Form of notice to bank operating secured account**

To: *[name and address of account bank]* (**Account Bank**)

Dated: *[date]*

Re: Account No: *[insert account number]* (**Account**)

Account Branch: *[insert branch name and address]*

Account Holder: *[name of Chargor]* (**Chargor**)

We hereby notify you that by a debenture dated *[date]* (**Debenture**) made by the Chargor in favour of *[Lender]* (**Lender**) the Chargor has charged to the Lender, all its right, title and interest in the monies from time to time standing to the credit of the Account [and of any other accounts from time to time maintained with you by the Chargor] (**Charged Account[s]**) and to all interest (if any) accruing on the Charged Account[s].

We hereby irrevocably and unconditionally authorise and instruct you to:

1. hold all monies from time to time standing to the credit of the Charged Account[s] to the order of the Lender and accordingly to pay all or any part of those monies to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect;
2. disclose to the Lender such information relating to the Chargor and the Charged Account[s] as the Lender may from time to time request you to provide;
3. comply with the terms of any written notice or instruction relating to the Charged Accounts received by you from the Lender.

We also advise you that:

- 3.1 the Chargor may not receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account[s] without first having produced to you the prior written consent of the Lender to such withdrawal; and
- 3.2 the provisions of this notice may only be revoked or varied with the prior written consent of the Lender.

Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Chargor) by way of your confirmation that:

- 3.2.1 you agree to act in accordance with the provisions of this notice;
- 3.2.2 you have not received notice that the Chargor has assigned its rights to the monies standing to the credit of the Charged Account[s] or otherwise granted any security or other interest over those monies in favour of any third party; and
- 3.2.3 you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Account[s] [except for the netting of credit and debit balances pursuant to current account netting arrangements previously approved in writing by the Lender].

[For non-Blocked Accounts only] [By counter-signing this notice the Lender confirms that the Chargor may make withdrawals from the Charged Account[s] until such time as the Lender shall notify you (with a copy to the Chargor) in writing that such permission is withdrawn. Such permission may be withdrawn or modified by the Lender in its absolute discretion at any time.]

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

Yours faithfully

for and on behalf of *[Chargor]*

Countersigned by

and on behalf of

.....

[Lender]

To: *[name and address of Lender]*

Copy to: *[name and address of Chargor]*

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraphs 3.2.1, 3.2.2 and 3.2.3 above.

for and on behalf of

[name and address of Account Bank]

Dated: *[date]*

SCHEDULE 9

Form of notice to landlord

To: [name and address of landlord]

Dated: [date]

[identify relevant Property/Properties] ([together the **Properties** and each a] **Property**)

We [*Chargor*] (**Chargor**) give you notice that we have assigned and charged to [*Lender*] (**Lender**) pursuant to a debenture entered into by us in favour of the Lender dated [●] all our rights and remedies in connection with the lease[s] of the [Property]/[Properties] dated [●] and made between you (1) and ourselves (2) (**Lease[s]**).

With effect from the receipt by you of this notice:

1. we irrevocably authorise and instruct you from time to time to:
 - 1.1 disclose to the Lender at our expense, such information relating to the Lease[s] as the Lender may from time to time request;
 - 1.2 without requiring further approval from us, provide the Lender with such information relating to the Lease[s] as it may from time to time request and to send copies of all notices issued by you under the Lease[s] to the Lender as well as to us; and
 - 1.3 send copies of all notices and other information given or received under the Lease[s] to the Lender.
2. All rights to compel performance of the Lease[s] are exercisable by the Lender although the Chargor shall remain liable to perform all the obligations assumed by it under the Lease[s].
3. All rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Lease[s] belong to the Lender and no changes may be made to the terms of the Lease[s] without the Lender's consent.

These instructions may not be revoked, nor may the terms of the Lease[s] be amended, varied or waived without the prior written consent of the Lender.

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

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Lender at [address of Lender] marked for the attention of [●].

Yours faithfully

for and on behalf of

[Chargor]

[On copy only:]

To: [name and address of Lender]

FAO: [●]

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the right and remedies in connection with the Lease[s] and that we will comply with the terms of that notice.

We further confirm:

1. we will notify you in writing if the annual rent, service charge or any other sums due and payable by the Chargor under the Lease[s] has not been paid within 14 days of its due date; and
2. that before serving a notice pursuant to Section 146 Law of Property Act 1925 or taking any other action or steps to forfeit the Lease[s] or re-enter the [Property]/[Properties] we will:
 - 2.1 give notice of any breach of the Lease[s] complained of to the Lender; and
 - 2.2 if the Lender confirms in writing to us within 14 days of such notice that it wishes to remedy the breach, allow the Lender 28 days (or such longer period as may be reasonable in view of the nature of the breach) to remedy the breach.]

.....

Signed for and on behalf of

[Landlord]

By: [●]

Dated: [●]

SCHEDULE 10

Supplemental Debenture

THIS DEED is dated

20[●] and made between:

- (1) [●] (Chargor).
- (2) [●] (Lender).

BACKGROUND:

It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

1. INTERPRETATION

- 1.1 In this Deed, terms defined in the Security Agreement shall, unless otherwise defined in this Deed, have the same meaning in this Deed and the following terms have the following meanings:

Security Agreement the debenture dated [●] between the Lender and the Chargor.

- 1.2 This Deed is supplemental to the Security Agreement. Clause 1.2 (*Construction*) – Clause 1.4 (*Third Party Rights*), Clause 3.9 (*Full title guarantee and implied covenants*), Clause 4.1.1 (*General*) and Clause 4.1.2 (*Further assurance - general*), Clause 4.4 (*Exempt information document*), Clause 4.5 (*Delivery of deed to Land Registry*), Clause 5.1 (*Negative Pledge*), Clause 8 (*When security becomes enforceable*), Clause 9.13 and Clause 9.14, Clause 11 (*Application of Proceeds*), Clause 14 (*Protection of Lender*), Clause 15 (*Power of Attorney*), Clause 16 (*Application, Variation and Extension of Statutory Powers*), Clause 17 (*Protection of Security*), Clause 19 (*Assignment and Transfer*) and Clause 20 (*Governing law and jurisdiction*) of the Security Agreement are incorporated into this Deed, as if references in those clauses to 'this Deed' were references to this deed and as if all references in those clauses to Secured Assets were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law or in equity) to, the Lender by or pursuant to this Deed.
- 1.3 The Chargor and the Lender agree and acknowledge this deed is a Supplemental Debenture under the Security Agreement.

2. CHARGING CLAUSE

2.1 Grant of Security

The Chargor hereby charges with full title guarantee in favour of the Lender as Security for the payment and discharge of the Secured Obligations, charges as security in favour of the Lender the following assets:

2.1.1 First legal mortgage on specified land and buildings

by way of first legal mortgage all its Property (if any) identified in Schedule [1] (*Details of Property*) and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such Property;

2.1.2 [First fixed charge on Investments]

by way of first fixed charge, all Investments specified in Schedule [2] (*Details of Investments*) together with all Distribution Rights from time to time accruing to or on such Investments;]

2.1.3 [First fixed charge on account balances]

by way of first fixed charge, all of its rights in respect of any Blocked Account specified in Schedule [3] (*Details of Blocked Accounts*), any amount standing to the credit of any Blocked Account and the debt represented by it, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;]

2.1.4 [First fixed charge on Material Contracts]

- (a) the Charged Material Contracts specified in Schedule [4] (*Details of Charged Material Contracts*) and (to the extent not effectively assigned under Clause 3.2) by way of first fixed charge all of its rights under the Assigned Material Contracts specified in Schedule [5] (*Details of Assigned Material Contracts*);
- (b) in relation to the Charged Material Contracts and (to the extent not effectively assigned under Clause 3.2) the Assigned Material Contracts by way of first fixed charge any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of such Material Contracts, except to the extent that such sums are subject to any fixed security created under any other term of this Clause 3;
- (c) in relation to the Charged Material Contracts and (to the extent not effectively assigned under Clause 3.2) the Assigned Material Contracts by way of first fixed charge all of its rights under any other document, agreement or instrument to which it is party except to the extent that it is subject to any fixed security created under any other term of this Clause 3;
- (d) in relation to the Charged Material Contracts and (to the extent not effectively assigned under Clause 3.2) the Assigned Material Contracts by way of first fixed charge any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of any other document, agreement or instrument to which it is party, except to the extent that such sums are subject to any fixed security created under any other term of this Clause 3;

2.1.5 First fixed charge on Intellectual Property

(to the extent not effectively assigned under Clause 3.2.6) by way of first fixed charge the Intellectual Property specified in Schedule [6] (*Details of Intellectual Property*) together with all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of such Intellectual Property;

2.2 Assignment by way of security

As further continuing security for the payment of the Secured Obligations the Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) to the Lender all its rights, title and interest in the following assets:

- (a) the Rental Income, all of its other rights under each Lease Document, and all of its rights under any guarantee of Rental Income contained in or relating to any Lease Document;
- (b) the Assigned Material Contracts and also any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of the Assigned Material Contracts;
- (c) (to the extent not effectively assigned under Clause 3.2.1 or Clause 3.2.2) the benefit of all covenants, rights, claims, warranties and guarantees relating to the Property

including the construction of the Property, its use of or title to the Property, any present or future compensation and damages for the compulsory purchase of, or any blight or disturbance affecting the Property, and the benefit of all easements serving or relating to the Property;

- (d) (to the extent not effectively assigned under Clause 3.2.2) its rights and interest in any claim against any provider of any certificate of or report on title or the provider of any other due diligence report (in its capacity as provider of the same) in connection with the acquisition, development, financing or refinancing of the Property;
- (e) the Intellectual Property specified in Schedule [6] (*Details of Intellectual Property*) together with all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of such Intellectual Property, but in the case of any such assignment of Intellectual Property the Lender shall grant to the Chargor a licence to use such Intellectual Property in the ordinary course of its business and for so long as no Enforcement Event has occurred upon such terms as may be specified by the Lender; and
- (f) (to the extent not effectively assigned under Clauses 3.2.1 to 3.2.6) any other document, agreement or instrument to which it is a party and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of such document, agreement or instrument.

3. SECURITY TO BE INCLUDED IN SECURITY AGREEMENT

For the purposes of this deed and the Security Agreement and with effect from the date of this deed, the property and assets of the Chargor mortgaged, charged or assigned to the Lender by or pursuant to this Deed shall form part of the Secured Assets and references in the Security Agreement to the Security created by or pursuant to the Security Agreement shall be deemed to include the Security created by or pursuant to this deed

4. IMPLIED COVENANTS FOR TITLE

- 4.1 The covenants set out in Section 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) act 1994 will not extend to Clause 2 (*Fixed Security*).
- 4.2 It shall be implied in respect of Clause 2 (*Fixed Security*) that the Chargor is disposing of the Mortgaged Property free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

5. APPLICATION TO THE CHIEF LAND REGISTRAR

The Chargor is to apply to the Land Registrar to enter on the register against the title number of or to be allocated to the relevant Mortgaged Property) of:

- (a) on The Land Registry form RX1, a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*date of this deed*] in favour of [Lender] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its duly authorised officer"; and
- (b) where applicable upon receipt of The Land Registry form CH2 duly completed by the Lender, notice of an obligation to make further advances.

6. FURTHER ADVANCES

The Lender confirms that it must perform its obligations to the extent arising under the Finance Documents to make further advances. The security constituted by this deed has been made for securing such further advances.

7. RELEASE OF SECURITY

Upon the Secured Obligations being discharge in full and the Lender being under no further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor any other person under any agreement between the Lender and the Chargor, the Lender shall, at the request and cost of the Chargor, release and cancel the security constituted by this deed and procure the reassignment to the Chargor of the property and assets assigned to the Lender pursuant to the Mortgage, in each case subject to Clause 16.7 (*Avoidance of settlements and other matters*) of the Security Agreement and without recourse to, or any representation or warranty by, the Lender or any of its nominees.

8. THIRD PARTY RIGHTS

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

9. APPLICABLE LAW

English law is applicable to this deed and all matters including non-contractual obligations arising out of or in connection with it.

10. COUNTERPARTS

This deed may be executed in any number of counterparts, each of which shall be deemed an original and this has the same effect as if the signatures on the counterparts were on a single copy of this deed. Any party may enter into this deed by signing any such counterpart.

This deed has been entered into as a deed on the date stated at the beginning of this deed.


EXECUTION PAGES

THE CHARGOR

Executed as a deed by **SOLENT STEVEDORES**

CONTAINER TERMINAL LIMITED acting by
Fiona Robson, a director and
Stuart Cullen, a
director/secretary


.....
Director


.....
Director

Address: **Suite 1, Drake House, Drake Lane, Dursley,
GL11 4HH**

Attention: **N/A**

THE LENDER

Signed for and on behalf of

HSBC UK BANK PLC

Address: **4th Floor, 3 Temple Quay, Bristol BS1 6DZ**


.....
as authorised signatory

Attention: **Paul H Dowell**