



Registration of a Charge

Company Name: **ANCHORAGE 4 LIMITED**

Company Number: **14368593**



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Received for filing in Electronic Format on the: **09/02/2023**

Details of Charge

Date of creation: **07/02/2023**

Charge code: **1436 8593 0001**

Persons entitled: **SME LENDING LIMITED**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT 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: **WILL WHITT TEMPLE BRIGHT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 14368593

Charge code: 1436 8593 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th February 2023 and created by ANCHORAGE 4 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th February 2023 .

Given at Companies House, Cardiff on 10th February 2023

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED

07 February

2023

(1) SME LENDING LIMITED

AND

(2) ANCHORAGE 4 LIMITED

DEBENTURE

temple bright

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THIS DEED is made on

07 February

2023

BETWEEN

- (1) **SME LENDING LIMITED** a company incorporated and registered in England and Wales with company number 12592022 whose registered office is at 101 Wigmore Street, 5th Floor, London, England W1U 1QU as lender (the "**Lender**"); and
- (2) **ANCHORAGE 4 LIMITED** a company incorporated and registered in England and Wales with company number 14368593 whose registered office is at Summers House Pascal Close, St. Mellons, Cardiff, Wales, CF3 0LW (the "**Borrower**").

AGREED TERMS**1. Definitions and Interpretation****1.1** In this deed the definitions and rules of interpretation in this clause apply:

Administrator: an administrator appointed to manage the affairs, business and property of the Borrower pursuant to paragraph 8 of Schedule 9;

Affiliate: has the meaning ascribed to it in the Facility Agreement;

Book Debts: all present and future book and other debts and monetary claims due or owing to the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Borrower in relation to any of them;

Borrowed Money: any indebtedness of the Borrower for or in respect of:

- (a) borrowing or raising money, including any premium and any capitalised interest on that money;
- (b) any bond, note, loan stock, deed, commercial paper or similar instrument;
- (c) any acceptances under any acceptance credit facility or dematerialised equivalent or bill discounting, note purchase or documentary credit facilities;
- (d) monies raised by selling, assigning or discounting receivables or financial assets on terms that recourse may be had to the Borrower if those receivables or financial assets are not paid when due;
- (e) any deferred payment for assets or services acquired, other than trade credit that is given in the ordinary course of trade and which does not involve any deferred payment of any amount for more than 60 days;
- (f) any rental or hire charges under any finance lease (whether for land, machinery, equipment or otherwise);
- (g) any counter-indemnity obligation in respect of any guarantee, bond, indemnity, standby letter of credit or other instrument issued by a third party in connection with the Borrower's performance of a contract;
- (h) any other transaction that has the commercial effect of borrowing (including any forward sale or purchase agreement and any liabilities that are not shown as borrowed money on the Borrower's balance sheet because they are contingent, conditional or otherwise);
- (i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (And when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

- (j) any guarantee, counter-indemnity or other assurance against financial loss given by the Borrower for any Indebtedness of the type referred to in any other paragraph of this definition incurred by any person.

Business Day: a day other than a Saturday or a Sunday or public holiday in England when banks in London are open for business;

Charged Account: each charged account specified in Schedule 1;

Charged Property: any freehold, leasehold or commonhold property the subject of the security constituted by this deed and references to the Charged Property shall include references to the whole or any part of it;

Delegate: any person appointed by the Lender or any Receiver pursuant to clause 11 and any person appointed as attorney of the Lender, Receiver or Delegate;

Designated Account: any account of the Borrower nominated by the Lender as a designated account for the purpose of this deed;

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media;

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measure, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment;

Environmental Licence: any authorisation, permit or licence necessary under Environmental Law in respect of any of the Secured Assets;

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property owned by the Borrower or in which it has an interest, including any part of it and all spare parts, replacements, modifications and additions;

Event Of Default: has the meaning given to that term in the Facility Agreement;

Excluded Property: any leasehold property held by the Borrower under a lease which precludes, either absolutely or requires consent of a third party to, the creation of Security over the Borrower's leasehold interest in that property;

Facility Agreement: the facility agreement entered into between, amongst others, the Lender and the Borrower dated on or around the date of this deed;

Financial Collateral: shall have the meaning given to that expression in the Financial Collateral Regulations;

Financial Collateral Regulations: the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226);

Indebtedness: any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint and any guarantee or indemnity of any of those obligations;

Insurance Policy: each contract and policy of insurance effected or maintained by the Borrower from time to time in respect of its assets or business (including, without limitation, any contract or policy of insurance relating to the Charged Properties or the Equipment);

Intellectual Property: the Borrower's present and future patents, rights to inventions, copyright and related rights, moral rights, trade marks, service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing

off or unfair competition, rights in designs, rights in computer software, database rights, rights to use and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;

Investments: all certificated shares, stock, deeds, bonds or other securities or investments (whether or not marketable) from time to time legally or beneficially owned by or on behalf of the Borrower;

LPA 1925: the Law of Property Act 1925;

Material Adverse Effect: has the meaning given to such term in the Facility Agreement;

Permitted Security: has the meaning given to such term in the Facility Agreement;

Receiver: a receiver, receiver and manager or administrative receiver appointed by the Lender under clause 9;

Relevant Agreement: each agreement specified in Schedule 2;

Secured Assets: all the assets, property and undertaking of the Borrower which are, or are expressed to be, subject to the Security created by, or pursuant to this deed (and references to the Secured Assets shall include references to any part of them);

Secured Liabilities: all present and future obligations and liabilities of the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity and whether or not the Lender was an original party to the relevant transaction and in whatever name or style, together with all interest (including, without limitation, default interest) accruing in respect of those obligations or liabilities;

Security: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;

Security Financial Collateral Arrangement: shall have the meaning given to that expression in the Financial Collateral Regulations;

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

VAT: value added tax or any equivalent tax chargeable in the UK or elsewhere;

1.2 In this deed:

1.2.1 any reference to any statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this deed;

1.2.2 a reference to one gender includes a reference to the other gender;

1.2.3 words in the singular include the plural and vice versa;

1.2.4 a reference to a clause or schedule is to a clause or schedule of or to this deed unless the context requires otherwise;

- 1.2.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to **this deed** (or any provision of it) or any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 1.2.7 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 1.2.8 a reference to an **amendment** includes a supplement, variation, novation or re-enactment (and **amended** shall be construed accordingly);
- 1.2.9 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.10 a reference to an **authorisation** includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
- 1.2.11 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- 1.2.12 a reference to **writing** or **written** includes fax and email;
- 1.2.13 a reference to continuing in relation to an Event of Default means an Event of Default which has not been remedied or waived;
- 1.2.14 an obligation on a party not to do something includes an obligation not to allow that thing to be done; and
- 1.2.15 the headings do not form part of this deed and do not affect its interpretation.

Clawback

- 1.3 If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

Nature of security over real property

- 1.4 A reference in this deed to a charge or mortgage of any Charged Property includes:
 - 1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) which are at any time situated on or form part of that Charged Property at any time;
 - 1.4.2 the proceeds of sale of any part of that Charged Property and any other monies paid or payable in respect of or in connection with that Charged Property; and
 - 1.4.3 the benefit of any covenants for title given or entered into by any predecessor in title of the Borrower in respect of that Charged Property and any monies paid or payable in respect of those covenants; and

- 1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property.

Nature of security over investments

- 1.5 A reference in this deed to any share, stock, debenture or other security or investment includes:
- 1.5.1 any dividend, interest or other distribution paid or payable in respect of that share, stock, debenture or other security or investment;
- 1.5.2 any right, money, shares or property accruing, offered or issued at any time in relation to that share, stock, debenture or other security or investment by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

Law of Property (Miscellaneous Provisions) Act 1989

- 1.6 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of any loan agreements and of any side letters between any parties in relation to any loan agreements are incorporated into this deed.

Perpetuity Period

- 1.7 If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

Schedules

- 1.8 The schedules form part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the schedules.

2. Covenant to Pay

- 2.1 The Borrower shall on demand pay to the Lender and discharge the Secured Liabilities when they become due.

3. Grant of Security

Charging Clause

- 3.1 As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee:
- 3.1.1 charges to the Lender, by way of first legal mortgage, all estates or interests in any freehold, leasehold or commonhold property now owned by it, including the real property (if any) specified in Schedule 3;
- 3.1.2 charges to the Lender, by way of first fixed charge:
- 3.1.2.1 all present and future estates or interests of the Borrower in, or over, any freehold, leasehold or commonhold property (other than any such property effectively mortgaged under clause 3.1.1;
- 3.1.2.2 the benefit of all other contracts, guarantees, appointments and warranties relating to each Charged Property and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Charged Property or otherwise relating to any Charged Property (including, in each case, but without limitation, the

- right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them);
- 3.1.2.3 all licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Secured Asset and all rights in connection with them;
- 3.1.2.4 all present and future goodwill;
- 3.1.2.5 all its uncalled capital;
- 3.1.2.6 all the Equipment;
- 3.1.2.7 all the Intellectual Property;
- 3.1.2.8 all the Book Debts;
- 3.1.2.9 all the Investments;
- 3.1.2.10 all Charged Accounts; and
- 3.1.2.11 all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account), together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
- 3.1.2.12 all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy to the extent not effectively assigned under clause 3.1.3;
- 3.1.2.13 all its rights in respect of each Relevant Agreement and all other agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 3.1.4;
- 3.1.3 assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy;
- 3.1.4 assigns to the Lender absolute, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities, the benefit of each Relevant Agreement and the benefit of all other agreements, instruments and rights relating to the Secured Assets; and
- 3.1.5 charges to the Lender, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1.1 to clause 3.1.4 including without limitation:
 - 3.1.5.1 any property, assets and rights of the Borrower that are situated in Scotland; and
 - 3.1.5.2 all Secured Assets and all Properties that are situated in Scotland.

Qualifying Floating Charge

- 3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.1.5.

Leasehold Security Restrictions

- 3.3 The charges created by clause 3.1 shall not apply to Excluded Property until the Borrower obtains any relevant consent or waiver of prohibition to the creation of security over that Excluded Property but for each Excluded Property, the Borrower undertakes to:
- 3.3.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed and, to use its best endeavours to obtain that consent or waiver of prohibition as soon as possible;
 - 3.3.2 keep the Lender informed of its progress in obtaining such consent or waiver; and
 - 3.3.3 immediately on receipt of such consent or waiver, provide the Lender with a copy.
- 3.4 Immediately on receipt of the relevant waiver or consent, that Excluded Property shall become the subject of a mortgage or charge (as appropriate) pursuant to clauses 3.1.1 to 3.1.4.
- 3.5 If required by the Lender at any time following receipt of that consent or waiver, the Borrower shall, at its own cost, prepare and execute any further documents and take any further action the Lender may require, in its absolute discretion, for perfecting its security over that Excluded Property.

Automatic Crystallisation of Floating Charge

- 3.6 The floating charge created by clause 3.1.5 shall automatically and immediately (without notice) be converted into a fixed charge over the assets subject to that floating charge if:
- 3.6.1 the Borrower:
 - 3.6.1.1 creates, or attempts to create, without the prior written consent of the Lender, Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this deed or any loan agreement between the parties);
 - 3.6.1.2 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
 - 3.6.2 a receiver is appointed over all or any of the Secured Assets that is subject to the floating charge; or
 - 3.6.3 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
 - 3.6.4 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower.
- 3.7 The floating charge created by clause 3.1.5 may not be converted into a fixed charge over the assets subject to that floating charge solely by reason of:
- 3.7.1 the obtaining of a moratorium; or
 - 3.7.2 the taking of any steps with a view to obtaining a moratorium;
- pursuant to Part A1 of the Insolvency Act 1986.

Crystallisation of Floating Charge by Notice

- 3.8 The Lender may in its sole discretion at any time by written notice to the Borrower convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by the Lender in that notice.

Assets Acquired After Any Floating Charge Has Crystallised

- 3.9 Any asset acquired by the Borrower after any crystallisation of the floating charge created under this deed which but for such crystallisation would be subject to a floating charge under this deed, shall (unless the Lender confirms otherwise to the Borrower in writing) be charged to the Lender by way of first fixed charge.

4. Liability of Borrower

Liability Not Discharged

- 4.1 The liability of the Borrower under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

4.1.1 any security, guarantee, indemnity, remedy or other right held by or available to the Lender that is, or becomes, wholly or partially illegal, void or unenforceable on any ground; or

4.1.2 the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from any other person; or

4.1.3 any other act or omission which but for this provision might have discharged or otherwise prejudiced or affected the liability of the Borrower.

Immediate Recourse

- 4.2 The Borrower waives any right it may have of requiring the Lender to enforce any security or other right or claim any payment from or otherwise proceed against any other person before enforcing this deed against the Borrower.

5. Representations and Warranties

- 5.1 The Borrower represents and warrants to the Lender in the terms set out in Schedule 5.

6. Covenants

- 6.1 The Borrower covenants with the Lender during the continuance of the security constituted by this deed in the terms set out in Schedule 8.

7. Powers of the Lender

- 7.1 The Lender shall have the powers set out in Schedule 9.

8. Enforcement

Enforcement of Security

- 8.1 The security constituted by this deed shall be immediately enforceable if an Event of Default occurs.

Discretion

- 8.2 After the security constituted by this deed has become enforceable, the Lender may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Secured Assets.

Enforcement Powers

- 8.3 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.
- 8.4 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 8.1.
- 8.5 Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

Extension of statutory powers of leasing

- 8.6 The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Borrower, to:

- 8.6.1 grant a lease or agreement for lease;
- 8.6.2 accept surrenders of leases; or
- 8.6.3 grant any option in respect of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Lender or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

Access on enforcement

- 8.7 At any time after the Lender has demanded payment of the Secured Liabilities or if the Borrower defaults in the performance of its obligations under this deed or any loan agreement between the parties, the Borrower will allow the Lender or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Lender or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Borrower for, or by any reason of, that entry.
- 8.8 At all times, the Borrower must use its best endeavours to allow the Lender or its Receiver access to any premises for the purpose of clause 8.7 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

Redemption of Prior Security

- 8.9 At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Lender may:
- 8.9.1 redeem any prior Security over any Secured Asset;
- 8.9.2 procure the transfer of that Security to itself; and

8.9.3 settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Borrower).

8.9.4 The Borrower shall pay to the Lender immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this deed as part of the Secured Liabilities.

Protection of third parties

8.10 No purchaser, mortgagee or other person dealing with the Lender, any Receiver or any Delegate shall be concerned to enquire:

8.10.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

8.10.2 whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or

8.10.3 how any money paid to the Lender, any Receiver or any Delegate is to be applied.

Privileges

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

No liability as mortgagee in possession

8.12 Neither the Lender nor any Receiver or Delegate shall be liable, by reason of entering into possession of a Secured Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, default or omission for which a mortgagee in possession might be liable.

Conclusive discharge to purchasers

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

Right of appropriation

8.14 To the extent that:

8.14.1 the Secured Assets constitute Financial Collateral; and

8.14.2 this deed and the obligations of the Borrower 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 Liabilities in any order that the Lender may, in its absolute discretion, determine.

8.15 The value of any Secured Assets appropriated in accordance with this clause shall be:

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

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

8.16 The Borrower agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

9. Receiver

Appointment

9.1 At any time after the security constituted by this deed has become enforceable, or at the request of the Borrower, the Lender may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

Removal

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

Remuneration

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

Power of appointment additional to statutory powers

9.4 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 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

Power of appointment exercisable despite prior appointments

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

Agent of the Borrower

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

10. Receiver's Powers

10.1 A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in Schedule 10.

11. Delegation

- 11.1 The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other matter to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 17.
- 11.2 The Lender and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate that it thinks fit.
- 11.3 Neither the Lender nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

12. Application of Proceeds

Order of Application

- 12.1 All monies received or recovered by the Lender, a Receiver or a Delegate under this deed or in connection with the realisation or enforcement of all or part of the security constituted by this deed (other than sums received under any Insurance Policy) shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Lender's right to recover any shortfall from the Borrower):
 - 12.1.1 in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;
 - 12.1.2 in or towards payment of the Secured Liabilities in any order and manner that the Lender determines; and
 - 12.1.3 in payment of the surplus (if any) to the Borrower or other person entitled to it.

13. Appropriation

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

14. Suspense Account

- 14.1 All monies received by the Lender, a Receiver or a Delegate under this deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):
 - 14.1.1 may, at the discretion of the Lender, Receiver or Delegate, be credited to a suspense account;
 - 14.1.2 shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower; and
 - 14.1.3 may be held in that account for so long as the Lender, Receiver or Delegate thinks fit.

15. Costs and Indemnity

Costs

- 15.1 The Borrower shall promptly pay to or reimburse the Lender and any Receiver on demand, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including without limitation, legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or any Delegate in connection with:

15.1.1 this deed or the Secured Assets; or

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

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

(including, without limitation, the costs of any proceedings in relation to this deed or the Secured Liabilities) together with, in the case of clause 15.1.2 and 15.1.3, interest at the rate and in the manner specified in the Facility Agreement.

Indemnity

- 15.2 The Borrower shall indemnify the Lender, each Receiver and each Delegate and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses suffered or incurred by any of them arising out of or in connection with:

15.2.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets;

15.2.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or

15.2.3 any default or delay by the Borrower in performing any of its obligations under this deed.

- 15.3 Any past or present employee or agent may enforce the terms of this clause subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

16. Further Assurance

- 16.1 The Borrower shall promptly, at its own expense, take whatever action the Lender or any Receiver may reasonably require for:

16.1.1 creating, perfecting or protecting the security created or intended to be created by this deed;

16.1.2 facilitating the realisation of any Secured Asset; or

16.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any Secured Asset;

including, without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Lender or its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Lender may consider necessary or desirable.

17. Power of Attorney

17.1 By way of security, the Borrower irrevocably appoints the Lender, every Receiver and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

17.1.1 the Borrower is required to execute and do under this deed; or

17.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Lender, any Receiver or any Delegate.

17.2 The Borrower ratifies and confirms and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise of all or any of the rights, powers, authorities and discretions referred to in clause 17.1.

18. Release

18.1 Subject to clause 24.3, upon the expiry of the Security Period (but not otherwise) the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Secured Assets from the security constituted by this deed and reassign the Secured Assets to the Borrower.

19. Assignment and Transfer

Assignment by Lender

19.1 The Lender may at any time, without the consent of the Borrower, assign or transfer the whole or any part of the Lender's rights and/or obligations under this deed to any person.

19.2 The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Secured Assets and this deed that the Lender considers appropriate.

Assignment by Borrower

19.3 The Borrower may not assign any of its rights or transfer any of its obligations under this deed or enter into any transaction, which would result in any of these rights or obligations passing to another person.

Permitted Disclosure

19.4 The Lender may disclose to and discuss with:

19.4.1 an Affiliate;

19.4.2 any actual or potential assignee, transferee or sub-participant of its rights or obligations under this deed (and any of their professional advisers and auditors);

19.4.3 any credit referencing, fraud prevention and rating agencies;

19.4.4 a third-party acquirer of the business of the Lender;

19.4.5 any party required by applicable law or regulation, governmental, tax or regulatory body or law enforcement agency; or

19.4.6 any other person with the Borrower's consent,

in addition to any publicly available information, such information about this deed and the Borrower as the Lender shall consider appropriate, if the person to whom the information is given is informed that it:

19.4.7 is confidential; and

19.4.8 may be price-sensitive,

except that the Lender does not need to inform the recipient of 19.4.7 and 19.4.8 above if the recipient is subject to professional obligations to maintain the confidentiality of the information;

19.4.9 to its professional advisers, any governmental, banking, taxation or regulatory authority or similar body, or any other person to the extent that it is required to do so by any applicable law, regulation, court order or the rules of any relevant stock exchange, any information about this deed and the Borrower.

19.5 The Borrower hereby authorises and expressly permits the Lender to disclose and discuss to any of the Borrower's professional advisers including but not limited to the Borrower's banking, accountancy and legal advisers any information about this deed and its relating documentation as the Lender shall consider appropriate, if the person to whom the information is given is informed that it:

19.5.1 is confidential; and

19.5.2 may be price-sensitive,

except that the Lender does not need to inform the recipient of 19.5.1 and 19.5.2 above if the recipient is subject to professional obligations to maintain the confidentiality of the information.

20. Set-Off

20.1 The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender to the Borrower, whether either liability is present or future, liquidated or unliquidated and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Lender may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Lender of its rights under this clause shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

20.2 All payments made by the Borrower to the Lender under this deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

21. Amendments, Waivers and Consents

21.1 No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

21.2 A waiver of any right or remedy under this deed or by law or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

21.3 A failure or delay by a party to exercise any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Lender shall be effective unless it is in writing.

22. Rights and remedies

- 22.1 The rights and remedies provided under this deed are cumulative and are in addition to and not exclusive of any rights and remedies provided by law.
- 22.2 This deed shall be in addition to and independent of every other security or guarantee which the Lender may at any time hold for any of the Secured Liabilities and no prior security held by the Lender over the whole or any part of the Secured Assets shall merge in the security created by this deed.

23. Third Party Rights

- 23.1 Except as expressly provided in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

24. Further provisions

Independent Security

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

Continuing Security

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

Discharge Conditional

- 24.3 Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional upon no payment or security received by the Lender in respect of the Secured Liabilities being avoided or reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration or receivership or otherwise. Despite any such release, discharge or settlement:

24.3.1 the Lender or its nominee may retain this deed and the security created by or pursuant to this deed, including all certificates and documents relating to the whole or any part of the Secured Assets, for such period as the Lender shall deem necessary to provide the Lender with security against any such avoidance or reduction or order for refund; and

24.3.2 the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such settlement, discharge or release had not occurred.

Certificates

- 24.4 A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower shall (in the absence of any manifest error) be conclusive evidence of the amount due.

Consolidation

- 24.5 The restriction on the right of consolidating mortgages contained in section 93 of the Law of Property Act 1925 shall not apply to this deed.

Severance

- 24.6 If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

Counterparts

- 24.7 This deed may be executed and delivered in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original but all the counterparts shall together constitute one deed.
- 24.8 Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by fax or email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed this made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.

25. Notices

- 25.1 Each notice or other communication required to be given under, or in connection with, this deed shall be in writing, delivered personally or sent by pre-paid first-class letter or email; and

25.1.1 sent to the Lender at:

Address: 101 Wigmore Street, 5th Floor, London, England
W1U 1QU

Email: loanservicing@smecapital.com

Attention: The Directors

25.1.2 sent to the Borrower at:

Address: Summers House Pascal Close, St. Mellons, Cardiff,
Wales, CF3 0LW

Email: Helen.bartlett@paramountinteriors.com

Attention: The Directors; or

- 25.1.3 to such other address or email address as is notified in writing by one party to the other from time to time.

- 25.2 Any notice or other communication given by the Lender shall be deemed to have been received:

25.2.1 if delivered personally, at the time of delivery; or

25.2.2 in the case of pre-paid first class letter, 48 hours from the date of posting; or

25.2.3 in the case of email, at the time of transmission.

25.3 A notice or other communication given as described in paragraph 25.1 or paragraph 25.2 on a day which is not a Business Day, or after normal business hours in the place of receipt, shall be deemed to have been received on the next Business Day.

25.4 Any notice or other communication given to the Lender shall be deemed to have been received only on actual receipt.

26. Governing Law and Jurisdiction

Governing Law

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

Jurisdiction

26.2 The parties to this deed irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or its formation. Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

Other Service

26.3 The Borrower irrevocably consents to any process in any legal action or proceedings arising out of or in connection with this deed being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

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

Schedule 1 - Charged Accounts

Name or designation of bank account	Account number	Name of institution and branch at which account held

Schedule 2 - Relevant Agreements

Type of contract: Share purchase agreement

Date: February 2023

Parties: Richard Jones of 23 Priory Gardens, Langstone, Newport, NP18 2JG and the Borrower

Schedule 3 - Real Property

Part 1 - Registered Property

None

Part 2 - Unregistered Property

None

Schedule 4 - Notice and acknowledgment – Charged Account

Part 1 – Form of notice

{On headed notepaper of the Borrower}

{NAME OF CHARGED ACCOUNT HOLDER}
{ADDRESS LINE 1}
{ADDRESS LINE 2}
{POSTCODE}

{DATE}

Dear {CHARGED ACCOUNT HOLDER}

Debenture dated {DATE} 2023 between Anchorage 4 Limited and SME Lending Limited ("Lender") ("Debenture")

We hereby give you notice that under the Debenture we have charged (by way of a first fixed charge) in favour of SME Lending Limited (the "Lender") all our rights in respect of any amount standing to the credit of any account maintained by us with you (the "Accounts").

We irrevocably instruct and authorise you to:

1. disclose to the Lender any information relating to any Account requested from you by the Lender;
2. comply with the terms of any written notice or instruction relating to any Account received by you from the Lender which is given in accordance with any terms agreed between you and the Lender;
3. pay or release any sum standing to the credit of any Account in accordance with the written instructions of the Lender, given in accordance with any terms agreed between you and the Lender; and
4. not to permit any amount to be withdrawn from the Account if the Lender notifies you that the Debenture is enforceable.

We acknowledge that you may comply with the instructions in this notice without any further permission from us.

The instructions in this notice may not be revoked or amended without the prior written consent of the Lender.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Lender at 101 Wigmore Street, 5th Floor, London, England W1U 1QU, with a copy to us.

Yours sincerely,

.....

Anchorage 4 Limited

Part 2 – Form of acknowledgment

{On headed notepaper of the Charged Account Holder}

SME Lending Limited
101 Wigmore Street,
5th Floor,
London,
England
W1U 1QU

{DATE}

Dear Sirs,

**Debenture dated {DATE} 2023 between Anchorage 4 Limited and SME Lending Limited ("Lender")
("Debenture")**

We confirm receipt from the Borrower of a notice dated {DATE} of a charge upon the terms of the Debenture over all the rights of the Borrower to any amount standing to the credit of any of the Borrower's accounts with us (the "Accounts").

We confirm that:

1. we accept the instructions and authorisations contained in the Notice and agree to comply with the Notice;
2. we have not received notice of the interest of any third party in any Account;
3. we have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Account; and
4. we will not permit any amount to be withdrawn from any Account without your prior written consent if you notify us that the Debenture has become enforceable.

The Accounts maintained with us are:

{ACCOUNT: {SORT CODE}, {ACCOUNT NO}}

We confirm that the above are the Borrower's only accounts with us.

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

Yours sincerely,

{NAME OF CHARGED ACCOUNT HOLDER}

Schedule 5 - Notice and acknowledgement - Relevant Agreement

Part 1 - Form of notice

{On headed notepaper of the Borrower}

{NAME OF COUNTERPARTY}
{ADDRESS LINE 1}
{ADDRESS LINE 2}
{POSTCODE}

{DATE}

Dear {NAME OF COUNTERPARTY},

Debenture dated {DATE} 2023 between Anchorage 4 Limited and SME Lending Limited ("Lender") ("Debenture")

We refer to the {DESCRIBE RELEVANT AGREEMENT} ("**Contract**").

This letter constitutes notice to you that under the Debenture {(a copy of which is attached)} we have {charged OR assigned, by way of security,} to SME Lending Limited ("**Lender**") all our rights in respect of the Contract.

We confirm that:

1. We will remain liable under the Contract to perform all the obligations assumed by us under the Contract.
2. Neither the Lender nor any receiver or delegate appointed by the Lender will at any time be under any obligation or liability to you under or in respect of the Contract.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the above, we will remain entitled to exercise all our rights, powers and discretions under the Contract and you may continue to deal with us in relation to the Contract and give notices under the Contract to us unless and until you receive written notice to the contrary from the Lender. Thereafter, all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Lender or as it directs and we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Lender.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Lender at 101 Wigmore Street, 5th Floor, London, England W1U 1QU, with a copy to us.

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

Yours sincerely,

.....

Anchorage 4 Limited

Part 2 - Form of acknowledgement

{On headed notepaper of the counterparty}

SME Lending Limited
101 Wigmore Street,
5th Floor,
London,
England
W1U 1QU

{DATE}

Dear Sirs,

Debenture dated {DATE} 2023 between Anchorage 4 Limited and SME Lending Limited ("Lender") ("Debenture")

We confirm receipt from the Borrower of a notice ("**Notice**") dated {DATE} of {a charge **OR** an assignment, by way of security,} of all the Borrower's rights under {DESCRIBE RELEVANT AGREEMENT} ("**Contract**").

{Terms defined in the Notice shall have the same meaning when used in this acknowledgement.}

We confirm that:

1. We accept the confirmations and instructions contained in the Notice and agree to comply with the Notice.
2. There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.
3. We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Lender at least 30 days' prior written notice.
4. We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.
5. The Lender will not in any circumstances have any liability in relation to the Contract.
6. The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

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

Yours sincerely,

.....

{COUNTERPARTY}

Schedule 6 - Notice and acknowledgement - Insurance Policy

Part 1 - Form of notice

{On headed notepaper of the Borrower}

{NAME OF INSURER}
{ADDRESS LINE 1}
{ADDRESS LINE 2}
{POSTCODE}

{DATE}

Dear {NAME OF INSURER},

Debenture dated {DATE} 2023 between Anchorage 4 Limited and SME Lending Limited ("Lender") ("Debenture")

We refer to the {DESCRIBE INSURANCE POLICY AND SPECIFY ITS POLICY NUMBER} ("Policy").

This letter constitutes notice to you that under the Debenture {(a copy of which is attached)} we have {charged by way of first fixed charge to the Lender OR assigned to the Lender, absolutely, subject to a proviso for reassignment}, all our rights in the Policy, including all claims, the proceeds of all claims and all returns of premium in connection with the Policy.

We irrevocably instruct and authorise you to:

1. {Note the Lender's interest on the Policy as {DESCRIBE NOTATION REQUIRED BY LENDER TO BE ENDORSED ON POLICY, FOR EXAMPLE, "FIRST MORTGAGEE"} OR Name the Lender as composite insured in respect of its own separate insurable interest under the Policy} (except in relation to public liability and third party liability insurance).
2. Name the Lender as first loss payee (other than in respect of any claim under any public liability and third party liability insurances).
3. Comply with the terms of any written instructions received by you from the Lender relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
4. Hold all sums from time to time due and payable by you to us under the Policy to the order of the Lender.
5. Pay, or release, all monies to which we are entitled under the Policy to the Lender, or to such persons as the Lender may direct.
6. Disclose information in relation to the Policy to the Lender on request by the Lender.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Policy.

Subject to the foregoing, you may continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Lender. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Lender at 101 Wigmore Street, 5th Floor, London, England W1U 1QU, with a copy to us.

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

Yours sincerely,

.....

Anchorage 4 Limited

Part 2 - Form of acknowledgement

{On headed notepaper of the insurer}

SME Lending Limited
101 Wigmore Street,
5th Floor,
London,
England
W1U 1QU

{DATE}

Dear Sirs,

Debenture dated {DATE} 2023 between Anchorage 4 Limited and SME Lending Limited ("Lender") ("Debenture")

We confirm receipt from the Borrower of a notice ("Notice") dated {DATE} of {a first fixed charge in favour of the Lender OR an assignment to the Lender, subject to a proviso for reassignment} of all the Borrower's rights in {DESCRIBE INSURANCE POLICY AND ITS NUMBER} ("Policy"), including all claims, the proceeds of all claims and all returns of premiums in connection with the Policy.

{Terms defined in the Notice shall have the same meaning when used in this acknowledgement.}

We confirm that:

1. We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.
2. We have {noted the Lender's interest on the Policy as {DESCRIBE NOTATION REQUIRED BY LENDER TO BE ENDORSED ON POLICY, FOR EXAMPLE, FIRST MORTGAGEE} OR named the Lender as composite insured in respect of its own separate insurable interest under the Policy} (except in relation to public liability and third party liability insurances).
3. There has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued.
4. We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its rights under the Policy to a third party, or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party.
5. The Policy shall not be avoided or vitiated as against the Lender by reason of the act or default of any {other} insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any {other} insured party.
6. {We waive our rights of subrogation against the Borrower, the Lender and the tenants of any charged Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any Charge Property or the Policy.}
7. We will not repudiate, rescind or cancel the Policy, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to the Lender.
8. The Lender will not have any liability for any premium in relation to the Policy unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of the Policy.

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

Yours sincerely,

.....

{NAME OF INSURER}

Schedule 7 - Representations and Warranties

1. Ownership of Secured Assets

- 1.1 The Borrower is the legal and beneficial owner of the Secured Assets.

2. No Security

- 2.1 The Secured Assets are free from any Security other than the Permitted Security and the Security created by this deed or as expressly notified to and agreed by the Lender.

3. Due Incorporation

- 3.1 The Borrower is a duly incorporated limited liability company or limited liability partnership validly existing under the law of its jurisdiction of incorporation and has the power to own its assets and carry on its business as it is being conducted.

4. Powers

- 4.1 The Borrower has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of this deed and the transactions contemplated by it.
- 4.2 No limit on its powers will be exceeded as a result of the grant of Security contemplated by this deed.

5. Non-Contravention

- 5.1 The entry into and performance by the Borrower of, and the transactions contemplated by, this deed do not and will not contravene or conflict with:
- 5.1.1 its constitutional documents;
- 5.1.2 any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
- 5.1.3 any law or regulation or judicial or official order applicable to it.

6. Authorisations

- 6.1 The Borrower has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations in this deed. Any such authorisations are in full force and effect.

7. Binding Obligations

- 7.1 The Borrower's obligations under this deed are legal, valid, binding and enforceable.
- 7.2 This deed creates (or, once entered into, will create):
- 7.2.1 valid, legal binding and enforceable Security for the obligations expressed to be secured by it; and
- 7.2.2 subject to registration in accordance with the Companies Act 2006 and, in the case of real property, registration at the Land Registry, perfected Security over the assets expressed to be subject to Security in it..

in favour of the Lender, having the priority and ranking expressed to be created by this deed and ranking ahead of all (if any) Security and rights of third parties except the Permitted Security and those preferred by law.

8. No filing or stamp taxes

- 8.1 It is not necessary to file, record or enrol this deed with any court or other authority in that jurisdiction or pay any stamp, registration or similar taxes in relation to this deed or any transaction contemplated by it (other than in connection with registrations at Companies House and the Land Registry).

9. No Default

- 9.1 No Event of Default or, on the date of this deed, event or circumstance which would, on the giving of notice, expiry of any grace period, making of any determination under this deed or any document under which the Borrower owes obligations to the Lender, satisfaction of any other condition (or any combination thereof) become an Event of Default is continuing.
- 9.2 No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, making of any determination or satisfaction of any other condition (or any combination thereof) would become) a default or termination event (however described) under any other agreement or instrument that is binding on it or to which any of its assets is subject which, in the reasonable opinion of the Lender has or is likely to have a Material Adverse Effect.

10. Litigation

- 10.1 No litigation, arbitration or administrative proceedings or investigations are taking place, pending or, to the Borrower's knowledge, threatened against it, any of its directors or any of the Secured Assets.

11. Information

- 11.1 The information, in written or electronic format, supplied by, or on behalf of, the Borrower to the Lender in connection with this deed was, at the time it was supplied or at the date it was stated to be given (as the case may be), to the best of the Borrower's knowledge and belief:

- 11.1.1 if it was factual information, complete, true and accurate in all material respects;
- 11.1.2 if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was arrived at after careful consideration;
- 11.1.3 if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and
- 11.1.4 not misleading in any material respect nor rendered misleading by a failure to disclose other information,

except to the extent it was amended, superseded or updated by more recent information supplied by or on behalf of the Borrower to the Lender.

12. Adverse Claims

- 12.1 The Borrower has not received or acknowledged notice of any adverse claim by any person in respect of the Secured Assets or any interest in it.

13. Adverse Covenants

- 13.1 There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, which materially adversely affect the Secured Assets.

14. No Breach of Laws

- 14.1 There is no breach of any law or regulation, which materially and adversely affects the Secured Assets.

15. No Interference in Enjoyment

- 15.1 No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.

16. No Overriding Interests

- 16.1 Nothing has arisen or has been created or is subsisting, which would be an overriding interest in any Charged Property.

17. Avoidance of Security

- 17.1 No Security expressed to be created by this deed is liable to be avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise.

18. No prohibition or breaches

- 18.1 There is no prohibition on assignment in any Insurance Policy or Relevant Agreement and the entry into this deed by the Borrower does not, and will not, constitute a breach of any Insurance Policy, Relevant Agreement or any other policy, agreement, document, instrument or obligation binding on it.

19. Environmental Compliance

- 19.1 The Borrower has at all times complied in all material respects with all applicable Environmental Law and Environmental Licences.

20. Investments

- 20.1 The Investments are fully paid and are not subject to any option to purchase or similar rights.

- 20.2 No constitutional document of an issuer of an Investment, nor any other agreement:

20.2.1 restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this deed; or

20.2.2 contains any rights of pre-emption in relation to the Investments.

- 20.3 The Borrower has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.

- 20.4 No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006 and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

Schedule 8 - Covenants

Part 1 - General Covenants

1. Negative Pledge and Disposal Restrictions

- 1.1 Other than the Permitted Security, the Borrower shall not at any time, except with the prior written consent of the Lender:
- 1.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than the Security created by this deed; or
 - 1.1.2 sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Secured Assets, except in the ordinary course of business in the case of Secured Assets which is only subject to an uncrystallised floating charge; or
 - 1.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

2. Preservation of Secured Assets

- 2.1 The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed.

3. Compliance with Laws and Regulations

- 3.1 The Borrower shall not, without the Lender's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.
- 3.2 The Borrower shall:
- 3.2.1 comply with the requirements of any law or regulation relating to or affecting the Secured Assets or the use of it or any part of them;
 - 3.2.2 obtain and promptly renew from time to time and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and
 - 3.2.3 promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

4. Change of business

- 4.1 The Borrower shall not make any substantial change to the general nature or scope of its business as carried on at the date of this deed.

5. Information

- 5.1 The Borrower shall:
- 5.1.1 supply to the Lender all documents dispatched by the Borrower to its shareholders (or any class of them) or its creditors generally, at the same time as they are dispatched;
 - 5.1.2 supply to the Lender details of any litigation, arbitration or administrative proceedings that are current, threatened or pending against the Borrower as soon

as it becomes aware of them and which might, if adversely determined, have a material adverse effect; and

- 5.1.3 supply to the Lender promptly, any further information about the financial condition, assets, business and operations of the Borrower as the Lender may reasonably request.
- 5.1.4 give the Lender such information concerning the location, condition, use and operation of the Secured Assets as the Lender may require;
- 5.1.5 permit any persons designated by the Lender and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- 5.1.6 promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense.

6. Enforcement of Rights

6.1 The Borrower shall use its best endeavours to:

- 6.1.1 procure the prompt observance and performance of the covenants and other obligations imposed on the Borrower's counterparties to any agreement or arrangement with the Borrower forming part of the Secured Assets; and
- 6.1.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets which the Lender may require from time to time.

7. Notice of Breaches

7.1 The Borrower shall promptly on becoming aware of any of the same give the Lender notice in writing of any breach of:

- 7.1.1 any representation or warranty set out in Schedule 7; and
- 7.1.2 any covenant set out in this Schedule 8.

8. Notification of Default

- 8.1 The Borrower shall notify the Lender of any Event of Default or any event or circumstance which would, on the giving of notice, expiry of any grace period, making of any determination under this deed or any document under which the Borrower owes obligations to the Lender or satisfaction of any other condition (or any combination thereof), become an Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
- 8.2 The Borrower shall, promptly on request by the Lender, supply a certificate signed by its directors or senior officers on its behalf certifying that no Event of Default is continuing (or, if an Event of Default is continuing, specifying the Event of Default and the steps, if any, being taken to remedy it).

9. Title Documents

- 9.1 Other than deeds and documents of title deposited with any holders of Permitted Security, the Borrower shall, on the execution of this deed (or, if later, the date of acquisition of the relevant Secured Assets), deposit with the Lender and the Lender shall, for the duration of this deed be entitled to hold:

- 9.1.1 all deeds and documents of title relating to the Secured Assets which are in the possession or control of the Borrower (if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all such deeds and documents of title);
- 9.1.2 all Insurance Policies and any other insurance policies relating to any of the Secured Assets to which policies the Borrower is entitled to possession;
- 9.1.3 all deeds and documents of title (if any) relating to the Book Debts as the Lender may specify from time to time; and
- 9.1.4 copies of all the Relevant Agreements, certified to be true copies by either a director of the Borrower or by the Borrower's solicitors.

10. Insurance

- 10.1 The Borrower shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Secured Assets against:
 - 10.1.1 loss or damage by fire or terrorist acts, including any third party liability arising from such acts;
 - 10.1.2 other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower; and
 - 10.1.3 any other risk, perils and contingencies as the Lender may reasonably require.
- 10.2 Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Lender, and must include property owners' public liability and third party liability insurance and be for not less than the replacement value of the relevant Secured Assets (meaning in the case of any premises on any Charged Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation) and, in the case of any Charged Property, loss of rents payable by the tenants or other occupiers of any Charged Property for a period of at least three years, including provision for increases in rent during the period of insurance.
- 10.3 The Borrower shall, if requested by the Lender, produce to the Lender each policy, certificate or cover note relating to any insurance as is required by paragraph 10.1 (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).
- 10.4 The Borrower shall, if requested by the Lender, procure that a note of the Lender's interest is endorsed on each insurance policy (other than public liability and third party liability insurances) effected or maintained by it or any person on its behalf in accordance with paragraph 10.1 but without the Lender having any liability for any premium in relation to those insurance policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance Policy.
- 10.5 The Borrower shall ensure that each insurance policy effected or maintained by it or any person on its behalf in accordance with paragraph 10.1 contains:
 - 10.5.1 a loss payee clause under which the Lender is named as first loss payee (other than in respect of any claim under any public liability and third party liability insurances);

- 10.5.2 terms ensuring that it cannot be avoided or vitiated as against the Lender by reason of the act or default of any other insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any other insured party;
 - 10.5.3 a waiver of each insurer's rights of subrogation against the Borrower, the Lender and the tenants of any Charged Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any Charged Property or any insurance policy; and
 - 10.5.4 terms ensuring that no insurer can repudiate, rescind or cancel it, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to the Lender.
- 10.6 The Borrower shall:
- 10.6.1 promptly pay all premiums in respect of each insurance policy as is required by paragraph 10.1 and do all other things necessary to keep that policy in full force and effect; and
 - 10.6.2 (if the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy as is required by paragraph 10.1 (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).
- 10.7 The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy as is required by paragraph 10.1.
- 10.8 All monies payable under any insurance policy maintained by the Borrower in accordance with paragraph 10.1 at any time (whether or not the security constituted by this deed has become enforceable) shall:
- 10.8.1 be paid immediately to the Lender;
 - 10.8.2 if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender; and
 - 10.8.3 at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or, after the security constituted by this deed has become enforceable and if the Lender so directs, in or towards discharge or reduction of the Secured Liabilities.
- 11. Notices to be given by the Borrower**
- 11.1 The Borrower shall:
- 11.1.1 on the execution of this deed and as so requested by the Lender from time to time:
 - 11.1.1.1 give notice to each counterparty to a Relevant Agreement in the form set out in Part 1 of Schedule 5; and
 - 11.1.1.2 procure that each counterparty provides to the Lender promptly an acknowledgement of the notice in the form set out in Part 2 of Schedule 5;
 - 11.1.2 on the execution of this deed and as so requested by the Lender from time to time:
 - 11.1.2.1 give notice to each insurer under an Insurance Policy in the form set out at Part 1 of Schedule 6; and

- 11.1.2.2 procure that each insurer provides to the Lender promptly an acknowledgement of the notice in the form set out in Part 2 of Schedule 6;
 - 11.1.3 on the execution of this deed and as so requested by the Lender from time to time:
 - 11.1.3.1 give notice to each bank or other financial institution with which each such Charged Account is maintained in the form set out in Part 1 of Schedule 4; and
 - 11.1.3.2 procure that such bank or financial institution provides to the Lender promptly an acknowledgement of the notice in the form set out in Part 2 of Schedule 4.
- 12. Further Assurance**
- 12.1 The Borrower, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Lender may reasonably require) in favour of the Lender as the Lender, in its absolute discretion, requires from time to time over all or any part of the Secured Assets and give all notices, orders and directions which the Lender may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Secured Assets.
- 13. Appointment of Accountants**
- 13.1 The Borrower shall:
 - 13.1.1 at its own cost, if at any time so required by the Lender, appoint an accountant or firm of accountants nominated by the Lender to investigate the financial affairs of the Borrower and those of its subsidiaries and report to the Lender; and
 - 13.1.2 co-operate fully with any accountants so appointed and immediately provide such accountants with all information requested.
- 13.2 The Borrower authorises the Lender to make such appointment as it shall think fit at any time, without further authority from the Borrower. In every such case, the fees and expenses of those accountants shall be paid by the Borrower but, if paid by the Lender on the Borrower's behalf, those fees and expenses shall be fully reimbursed to the Lender.

Part 2 - Book Debts Covenants

- 1. Preservation of Book Debts**
- 1.1 The Borrower shall not (except as provided by paragraph 2 of Part 2 of this Schedule 8, or with the prior written consent of the Lender) release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.
- 2. Realising Book Debts**
- 2.1 The Borrower shall:
 - 2.1.1 as an agent for the Lender, collect in and realise all Book Debts and (if requested by the Lender) promptly pay the proceeds of the collection and realisation of all Book Debts into such bank account as the Lender shall from time to time direct in writing; and
 - 2.1.2 if called on so to do by the Lender, execute a legal assignment of the Book Debts to the Lender in such terms as the Lender may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

Part 3 - Property covenants

1. Maintenance

- 1.1 The Borrower shall keep all buildings and all fixtures and fittings on each Charged Property in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use with others of a like nature and equal value.

2. No Alterations

- 2.1 The Borrower shall not, without the prior written consent of the Lender:
- 2.1.1 pull down or remove the whole or any part of any building forming part of any Charged Property or permit the same to occur; or
 - 2.1.2 make or permit to be made any material alterations to any Charged Property or sever or remove or permit to be severed and removed, any of its fixtures or fittings (except to make any necessary repairs or to replace the same); or
 - 2.1.3 remove or make any material alterations to any of the Equipment belonging to, or in use by, the Borrower on any Charged Property (except to affect necessary repairs or replace them with new or improved models or substitutes).

3. Conduct of Business on Charged Properties

- 3.1 The Borrower shall carry on its trade and business on those parts (if any) of the Charged Properties as are used for the purpose of trade and business in accordance with the standards of good management from time to time current in such trade or business.

4. Notices or claims relating to property

- 4.1 The Borrower shall:
- 4.1.1 give full particulars to the Lender of any notice, order, direction, designation, resolution or proposal given or made by any planning authority or other public body or authority (a "Notice") that specifically applies to any Charged Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
 - 4.1.2 (if the Lender so requires) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Notice as the Lender thinks fit.
 - 4.1.3 The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to a Charged Property.

5. Compliance with and enforcement of covenants

- 5.1 The Borrower shall:
- 5.1.1 observe and perform all covenants, stipulations and conditions to which each Charged Property, or the use of it, is or may be subjected and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
 - 5.1.2 diligently enforce all covenants, stipulations and conditions benefiting each Charged Property and shall not (and shall not agree to) waive, release or vary any of the same.

6. Payment of rent and outgoings

- 6.1 The Borrower shall, where a Charged Property or part of it, is held under a lease, duly and punctually pay all rents due from time to time and pay when due all charges, taxes, rates, duties, assessments and other outgoings relating to or imposed on each Charged Property or its occupier.

7. Leases and licences affecting Charged Properties

- 7.1 The Borrower shall not, without the prior written consent of the Lender:

7.1.1 grant, or agree to grant, any licence or tenancy affecting the whole or any part of any Charged Property, or exercise the statutory powers of leasing (or agreeing to lease) or of accepting (or agreeing to accept) surrenders under sections 99 or 100 of the Law of Property Act 1925; or

7.1.2 in any other way dispose of, or agree to dispose of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Property; or

7.1.3 let any person into occupation of or share occupation of the whole or any part of the Charged Property; or

7.1.4 grant any consent or licence under any lease or licence affecting any Charged Property.

8. Registration Restrictions and Cautions Against First Registration and Notices

- 8.1 If the title to any Charged Property is not registered at the Land Registry, the Borrower shall procure that no person (other than itself) shall be registered under the Land Registration Act 2002 as proprietor of all or any part of any Charged Property without the prior written consent of the Lender.

- 8.2 Whether or not any title to any Charged Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Borrower's title to any Charged Property, the Borrower shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable is cancelled or withdrawn.

- 8.3 The Borrower shall be liable for the costs and expenses of the Lender in lodging cautions against the registration of title of the whole or any part of any Charged Property from time to time.

9. Development Restrictions

- 9.1 The Borrower shall not, without the prior written consent of the Lender, carry out or permit or suffer to be carried out on any Charged Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or permit or suffer to be changed the use of any Charged Property.

10. Environment

- 10.1 The Borrower shall in respect of each Charged Property comply in all material respects with all the requirements of Environmental Law and all Environmental Licences;

11. No Restrictive Obligations

- 11.1 The Borrower shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of any Charged Property or

create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Charged Property.

12. Proprietary Rights

- 12.1 The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Charged Property without the prior written consent of the Lender.

13. Inspection

- 13.1 The Borrower shall permit the Lender and any Receiver and any person appointed by either of them to enter on and inspect any Charged Property on reasonable prior notice.

14. Property Information

- 14.1 The Borrower shall inform the Lender promptly of any acquisition by the Borrower of, or contract made by the Borrower to acquire, any freehold, leasehold or other interest in any property.

15. VAT Option to Tax

- 15.1 The Borrower, shall not, without the prior written consent of the Lender:
- 15.1.1 exercise any VAT option to tax in relation to any Charged Property; or
 - 15.1.2 revoke any VAT option to tax exercised and disclosed to the Lender, before the date of this deed.

Part 4 - Investment Covenants

1. Deposit of Title Documents

- 1.1 The Borrower shall:
- 1.1.1 on the execution of this deed, deposit with the Lender or as the Lender may direct, all stock and share certificates and other documents of title or evidence of ownership relating to any Investments owned by the Borrower at that time; and
 - 1.1.2 on the purchase or acquisition of by it of Investments after the date of this deed, deposit with the Lender, or as the Lender may direct, all stock and share certificates and other documents of title or evidence of ownership relating to those Investments.
- 1.2 At the same time as depositing documents with the Lender or as the Lender may direct, the Borrower shall also deposit with the Lender or as the Lender may direct:
- 1.2.1 all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of the Borrower but with the name of the transferee, the consideration and the date left blank; and
 - 1.2.2 any other documents (in each case duly executed by or on behalf of the Borrower) that the Lender may request to enable it or any of its nominees or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or perfect its security interest in any of the relevant Investments;

so that the Lender may, at any time after the Security constituted by this deed has become enforceable, and without notice to the Borrower, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

2. Nominations

2.1 The Borrower shall terminate with immediate effect all nominations it may have made (including without limitation, any nomination made under sections 145 and 146 of the Companies Act 2006) in respect of any Investments and pending such termination procure that any person so nominated:

2.1.1 does not exercise any rights in respect of any Investments without the prior written approval of the Lender; and

2.1.2 immediately upon receipt, forward to the Lender all communications or other information received in respect of any Investments for which it has been so nominated.

2.2 The Borrower shall not during the Security Period exercise any rights (including, without limitation, any rights under sections 145 and 146 of the Companies Act 2006) to nominate any person in respect of any of the Investments.

3. Pre-emption rights and restrictions on transfer

3.1 The Borrower shall:

3.1.1 obtain all consents, waivers, approvals and permissions which are necessary under the articles of association (or otherwise) of an issuer of any Investments, for the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this deed; and

3.1.2 procure the amendment of the share transfer provisions (including, but not limited to deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Investments in any manner as the Lender may require in order to permit such a transfer.

4. Dividends and Voting Rights Before Enforcement

4.1 Before the security constituted by this deed becomes enforceable, the Borrower shall be free to deal with all dividends, distributions, interest and other money paid in respect of the Investments, and may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Lender or any of its nominees, to direct in writing the exercise of those voting and other rights and powers provided that:

4.1.1 it shall not do so in any way that would breach any provision of this deed or for any purpose inconsistent with this deed; and

4.1.2 the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Lender's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Lender's security under this deed.

5. Dividends and Voting Rights Post Enforcement

5.1 After the security constituted by this deed has become enforceable:

5.1.1 all dividends and other distributions paid in respect of the Investments and received by the Borrower shall be held on trust for the Lender and immediately paid into a Designated Account or, if received by the Lender, shall be retained by the Lender; and

5.1.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Lender and the Borrower shall, and shall procure that its nominees shall, comply with any directions the Lender may, in its absolute discretion, give concerning the exercise of those rights and powers.

6. Calls on Investments

- 6.1 Notwithstanding the security created by this deed, the Borrower shall promptly pay all calls, instalments and other payments which may be payable from time to time in respect of the Investments. The Borrower acknowledges that the Lender shall not be under any liability in respect of any such calls, instalments or other payments.

7. No alteration of constitutional documents or rights attaching to Investments

- 7.1 The Borrower shall not, without the prior written consent of the Lender, amend, or agree to the amendment of, the memorandum or articles of association or any other constitutional documents of any issuer of the Investments that is not a public company, or the rights or liabilities attaching to or conferred by any of the Investments.

8. Preservation of Investments

- 8.1 The Borrower shall ensure (insofar as it is able by the exercise of all voting rights, powers of control and other means available to it to do so) that any issuer of any Investments (that is not a public company) shall not:

- 8.1.1 consolidate or subdivide any of its Investments, or reduce, exchange, repay or re-organise its share capital in any way;
- 8.1.2 issue any new shares or stock; or
- 8.1.3 refuse to register any transfer of any of its Investments which may be lodged for registration by, or on behalf of, the Lender or the Borrower in accordance with this deed.

9. Investments Information

- 9.1 The Borrower shall, send to the Lender copies of all notices, circulars, reports, accounts and other documents, which are sent to holders of any Investments, promptly following receipt.

10. Compliance with requests for information

- 10.1 The Borrower shall promptly send a copy to the Lender of, and comply with, all requests for information which is within its knowledge and which are made under any law or regulation or other similar provision in any articles of association or other constitutional documents, or by any listing or other authority, relating to any of the Investments. If it fails to do so, the Lender may elect to provide such information as it may have on behalf of the Borrower.

Part 5 - Equipment Covenants

1. Maintenance of Equipment

- 1.1 The Borrower shall:

- 1.1.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all manuals, handbooks, manufacturer's instructions and recommendations and maintenance and service schedules; and
- 1.1.2 at its own expense, renew and replace any parts of the Equipment when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value; and
- 1.1.3 not permit any Equipment to be:
 - 1.1.3.1 used or handled other than by properly qualified and trained persons; or

- 1.1.3.2 overloaded or used for any purpose for which it is not designed or reasonably suitable.

2. Payment of Equipment Taxes

- 2.1 The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on demand, produce evidence of payment to the Lender.

3. Notice of Charge

- 3.1 The Borrower shall, if so requested by the Lender, affix and maintain on each item of Equipment, in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This {DESCRIPTION OF ITEM} and ancillary equipment is subject to a fixed charge dated {DATE} in favour of {LENDER}."

- 3.2 The Borrower shall not, and shall not permit any person to conceal, obscure, alter or remove any plate affixed in accordance with paragraph 3.1.

Part 6 - Intellectual Property Covenants

1. Preservation of Rights

- 1.1 The Borrower shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation), observing all covenants and stipulations relating to such rights and paying all applicable renewal fees, licence fees and other outgoings.

2. Registration of Intellectual Property

- 2.1 The Borrower shall use all reasonable efforts to effect registration of applications for registration of any Intellectual Property and keep the Lender informed of all matters relating to such registration.

3. Maintenance of Intellectual Property

- 3.1 The Borrower shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

Part 7 - Relevant Agreements covenants

1. Relevant Agreements

- 1.1 The Borrower shall, unless the Lender agrees otherwise in writing, comply with the terms of each Relevant Agreement and any other document, agreement or arrangement comprising the Secured Assets.

- 1.2 The Borrower shall not, unless the Lender agrees otherwise in writing:

- 1.2.1 amend or vary or agree to any change in, or waive any requirement of or its rights under;
- 1.2.2 settle, compromise, terminate, rescind or discharge (except by performance); or
- 1.2.3 abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty to a Relevant Agreement or other person in connection with,

any Relevant Agreement or any other document, agreement or arrangement comprising the Secured Assets.

Schedule 9 - Powers of Lender

1. Power to Remedy

- 1.1 The Lender shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of its obligations contained in this deed and the Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose.
- 1.2 Any monies expended by the Lender in remedying a breach by the Borrower of its obligations in this deed shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 15.1.

2. Exercise of Rights

- 2.1 The rights of the Lender under paragraph 1 of this Schedule 9 are without prejudice to any other rights of the Lender under this deed and the exercise of those rights shall not make the Lender liable to account as a mortgagee in possession.

3. Power to Dispose of Chattels

- 3.1 At any time after the security constituted by this deed shall have become enforceable, the Lender or any Receiver:
 - 3.1.1 may dispose of any chattels or produce found on any Charged Property as agent for the Borrower; and
 - 3.1.2 without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Borrower against any liability arising from such disposal.

4. Lender has Receiver's powers

- 4.1 To the extent permitted by law, any right, power or discretion conferred by this deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Lender in relation to any Secured Assets whether or not it has taken possession of any of the Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

5. Currencies of Denomination

- 5.1 For the purpose of or pending the discharge of any of the Secured Liabilities the Lender may convert any monies received, recovered or realised by the Lender under this deed (including the proceeds of any previous conversion under this paragraph 5) from their existing currencies of denomination into such other currencies of denomination as the Lender may think fit and any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange for such other currency against the existing currency. Each previous reference in this paragraph 5 to a currency extends to funds of that currency and for the avoidance of doubt funds of one currency may be converted into different funds of the same currency.

6. New Accounts

- 6.1 If the Lender receives notice of any subsequent Security or other interest affecting all or part of the Secured Assets, the Lender may open a new account or accounts for the Borrower in the Lender's books and (without prejudice to the Lender's right to combine accounts) no money paid to the credit of the Borrower in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities.
- 6.2 If the Lender does not open a new account or accounts immediately on receipt of notice under paragraph 6.1 of this Schedule 9, then, unless the Lender gives express written notice to the contrary to the Borrower, as from the time of receipt of the relevant notice by the

Lender all payments made by the Borrower to the Lender, in the absence of any express appropriation by the Borrower to the contrary, shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities.

7. Indulgence

- 7.1 The Lender may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person or persons not being a party to this deed (whether or not such person or persons are jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Borrower for the Secured Liabilities.

8. Appointment of an administrator

- 8.1 The Lender may, without notice to the Borrower, appoint any one or more persons to be an Administrator of the Borrower pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.
- 8.2 Any appointment under this paragraph 8 shall:
- 8.2.1 be in writing signed by a duly authorised signatory of the Lender; and
 - 8.2.2 take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- 8.3 The Lender may apply to the court for an order removing an Administrator from office and may by notice in writing appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

Schedule 10 - Further Powers of Receiver

1. General

- 1.1 Any Receiver appointed by the Lender under this deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in this Schedule 10.
- 1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or on a receiver and manager) under the LPA 1925 and shall have those rights and powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.
- 1.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- 1.4 Any exercise by a Receiver of the powers given to it may be on behalf of the Borrower, the directors of the Borrower or itself.

2. Power to Repair and Develop Charged Properties

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

3. Power to Grant or accept Surrender of Leases

- 3.1 A Receiver may grant or accept surrenders of any leases or tenancies affecting the Charged Properties upon such terms and subject to such conditions as he thinks fit.

4. Power to Employ Personnel and Advisors

- 4.1 A Receiver may provide services and employ, or engage, such managers, contractors and other personnel and professional advisors on such terms and subject to any conditions as he deems expedient.
- 4.2 A Receiver may discharge any such person appointed by the Borrower.

5. Power to Make and revoke VAT Elections

- 5.1 A Receiver may make, exercise or revoke any VAT option to tax as he thinks fit.

6. Power to Charge Remuneration

- 6.1 A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Lender may prescribe or agree with him.

7. Power to Realise Secured Assets

- 7.1 A Receiver may take immediate possession of, get in and realise any Secured Asset.

8. Power to Manage or Reconstruct the Borrower's Business

- 8.1 A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower.

9. Power to Dispose of Secured Assets

- 9.1 A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as he thinks fit. A sale may be for any consideration that the Receiver thinks fit and the Receiver may promote, or concur in promoting a company to purchase the Secured Assets to be sold.

10. Sever fixtures and fittings

- 10.1 A Receiver may sever and sell separately any fixtures and fittings from any Charged Property without the consent of the Borrower.

11. Power to Sell Book Debts

- 11.1 A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in such a manner, and generally on such terms and conditions, as he thinks fit.

12. Valid receipts

- 12.1 A Receiver may give a valid receipt for all monies and execute all assurances and things that may be proper and desirable for realising any of the Secured Assets.

13. Power to Make Settlements

- 13.1 A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, despite, question and demand with or by any person claiming to be a creditor of the Borrower or relating in any way to any Secured Asset.

14. Legal Action

- 14.1 A Receiver may bring, prosecute, enforce, defend or abandon all actions, suits and proceedings in relation to any Secured Assets as he thinks fit.

15. Power to Improve the Equipment

- 15.1 A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.

16. Power to Make Calls On Borrower Members

- 16.1 A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of the uncalled capital with such and the same powers for that purpose and for the purpose of enforcing payments of any calls so made as are conferred by the Articles of Association of the Borrower on its directors in respect of calls authorised to be made by them.

17. Power to Insure

- 17.1 A Receiver may, if he thinks fit, but without prejudice to the indemnity contained in clause 15, effect with any insurer any policy or policies of insurance either in lieu or satisfaction of, or in addition to, such insurance.

18. Subsidiaries

- 18.1 A Receiver may form a subsidiary of the Borrower and transfer to that subsidiary any Secured Asset.

19. Power to Borrow

- 19.1 A Receiver may for whatever purpose he thinks fit, raise and borrow money either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms it thinks fit (including, if the Lender consents, terms under which that security ranks in priority to this deed)

20. Power to Redeem Prior Security

- 20.1 A Receiver may redeem any prior Security and to settle and pass the accounts to which the Security relates and any accounts so settled and passed will be conclusive and binding on the Borrower and the monies so paid will be deemed to be an expense properly incurred by him.

21. Delegation

- 21.1 A Receiver may delegate its powers in accordance with this deed.

22. Absolute Beneficial Owner

- 22.1 A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising as, and do all acts and things, an absolute beneficial owner could exercise or do, in the ownership and management of the Secured Assets or any part of the Secured Assets.

23. Incidental Powers

- 23.1 A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 10 or which he lawfully may or can do as agent for the Borrower.

EXECUTED by as Deed by **SME LENDING LIMITED** acting by **James Kaberry**, a director, in the presence of:

DocuSigned by:

Witness signature

Rachel Parry-Dixon

Witness name

Witness address

EXECUTED as a DEED by **Anchorage 4 Limited** acting by **Helen Bartlett**, a director and **Paul Jones**, a director

DocuSigned by:

1182908E753C499
Director

DocuSigned by:

60E16D60546
Director

DocuSigned by:

E937A319CFE225A
Director