



Registration of a Charge

Company name: **LAGAN HOMES (ARDNAVALLEY) LTD**

Company number: **NI622337**



X74KP460

Received for Electronic Filing: **24/04/2018**

Details of Charge

Date of creation: **20/04/2018**

Charge code: **NI62 2337 0002**

Persons entitled: **NORTHERN BANK LIMITED (TRADING AS DANSKE BANK)**

Brief description: **ALL UNDERTAKINGS AND ALL OTHER ASSETS AND PROPERTY OF THE COMPANY WHATSOEVER AND WHERESOEVER, BOTH PRESENT AND FUTURE INCLUDING THE PROPERTY AND ASSETS REFERRED TO IN CLAUSES 3.1 TO 3.12 OF THE DEBENTURE.**

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: **A&L GOODBODY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: NI622337

Charge code: NI62 2337 0002

The Registrar of Companies for Northern Ireland hereby certifies that a charge dated 20th April 2018 and created by LAGAN HOMES (ARDNAVALLEY) LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th April 2018 .

Given at Companies House, Belfast on 24th April 2018

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 20 April 2018

The companies listed in Schedule 1 hereto

(the Companies)

Northern Bank

(the Bank)

DEBENTURE
(Fixed and Floating Charge)

I certify that, save for material redacted
pursuant to s.859G of the Companies
Act 2006, this copy instrument is a correct
copy of the original instrument.

Dated this 20 day of April 2018

A+L Goodbody.

A&L Goodbody Northern Ireland
6th Floor, 42-46 Fountain Street, Belfast, BT1 5EF

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LAND REGISTRY

FOLIOS: AN20471 & AN20472

COUNTY: ANTRIM

REGISTERED OWNER: LAGAN HOMES (LISBURN) LIMITED

THIS DEBENTURE is dated 20 April 2018 and made between:

- (1) The Companies listed in Schedule 1 hereto (the Companies, and each one a Company); and
- (2) NORTHERN BANK LIMITED trading as Danske Bank, a company incorporated in Northern Ireland with registered number R568 and having its registered Office address at Donegall Square West Belfast BT1 6JS (the Bank).

RECITALS

- (A) The Companies are now or may become indebted to the Bank under or pursuant to various loan facilities, including but not limited to, term loan facilities, overdraft facilities, asset financing facilities and other credit facilities, whether as principal, surety or otherwise.
- (B) It has been agreed between the Companies and the Bank that the Secured Obligations now owing or which shall become owing with interest, costs and charges shall be secured by this Debenture.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1881 Act means the Conveyancing and Law of Property Act 1881;

1911 Act means the Conveyancing Act 1911;

Account means each account of the Companies used for the receipt of the Debts which is, on or after the date hereof notified by the Bank, or any substitute, replacement or reinstatement of any such account whether by current account or deposit account including but not limited to any substitute, replacement or reinstatement of any such account denominated in pounds sterling and, for the avoidance of doubt, the term **Account** shall not extend to any account of the Companies other than such Account as aforesaid;

Business Day means a day (other than a Saturday or Sunday) on which banks are open for the conduct of their normal business in Belfast;

Criminal Damage Claim means a claim made by or on behalf of the Companies under the Criminal Damage Order in relation to damage caused to the Specifically Charged Property located in Northern Ireland after the date hereof;

Criminal Damage Order means the Criminal Damage (Compensation) (Northern Ireland) Order 1977 (or any statutory successor scheme for the compensation of criminal damage to property for the time being in force);

Debts means all the book debts and other debts, revenues, claims and benefits referred to in clause 3.11;

Dispute means any suit, action, proceedings and/or any dispute or difference which may arise out of or in connection with or which may relate in any way to this Debenture (including but not limited to any suit, action, proceedings, dispute or difference relating to the formation, interpretation or performance of the Debenture or any dispute or difference which may arise out of or in connection with or which may relate in

any way to any non-contractual obligations of any nature (including those to which Regulation (EC) No. 864/2007 applies) between the parties or any of them and **Disputes** shall be construed accordingly;

Environmental Laws means all laws and regulations and all codes of practice, circulars and guidance notes issued by any competent authority or agency (whether in Northern Ireland or elsewhere and whether or not having the force of law) concerning the protection of the environment (or human health), including but not limited to, the conservation of natural resources, the control of noise, the safety of the workplace, the undertaking of any manufacturing or process, the use of packaging, the labelling or advertisement of any goods in relation to the effect on the environment of their production or use, the production, storage, transportation, treatment, recycling or disposal of any waste or Hazardous Substance, the preparation of audits or assessments in relation to any such matters, or the liability of any person whether civil or criminal for any harm to human health, damage to or pollution of the environment or the rectification of it;

Environmental Licence means any permit, licence, authorisation, consent or other approval required by any Environmental Law;

Group means the Parent and each of the Companies and their respective subsidiaries from time to time;

Hazardous Substance means all poisonous, noxious, hazardous, infectious, radioactive or polluting substances whether natural or artificial and whether in solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any substance which may either alone or in combination be harmful to man, to the life or health of any living organism, to property or deleterious to the environment;

Intellectual Property Rights means all present and future know-how, patents, trade marks, service marks, designs, business names, topographical or similar rights, trade names, copyrights and other intellectual property rights and confidential information and any interests (including by way of licence) in any of the above (in each case whether registered (in Northern Ireland or elsewhere) or unregistered and including all applications of any such registration);

Mortgaged Property means:

- (a) the freehold land and/or leasehold (registered or unregistered) land specified against each Company's name in Schedule 2, and including without limitation any commonhold properties, together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon, all easements, rights and agreements and the benefit of all covenants given in respect thereof; and
- (b) any freehold and/or leasehold (registered or unregistered) land acquired by any Company after the date of this Debenture together with all buildings, fixtures (including trade fixtures), and fixed plant and machinery from time to time thereon, all easements, rights and agreements and the benefit of all covenants given in respect thereof;

Other Assets means the property and assets referred to in clause 3.13;

Parent means Lagan Homes (Holdings) Limited a company incorporate in the Isle of Man with registered number 005724V;

Planning Acts means the Planning (Northern Ireland) Orders 1972 to 2003, the Planning (Hazardous Substances) (No 2) Regulations (Northern Ireland) 2015, the Planning and Compensation Act (Northern Ireland) 2001 and the Planning Act (Northern Ireland) 2011 and any regulations made thereunder as applicable and all other acts and orders re-enacting or amending the same and all subordinate legislation thereunder;

Proceedings has the meaning ascribed to it in clause 14.11.2;

Receiver has the meaning ascribed to it in clause 8.1;

Securities has the meaning ascribed to it in clause 3.6;

Secured Obligations all present and future obligations and liabilities (including in respect of principal, interest, break-costs, discount, commission, fees and expenses) of the Companies to the Bank, actual or contingent, whether owed jointly or severally, whether as principal or as surety or in any other capacity whatsoever and in any currency, on any current or other account or otherwise in any manner whatsoever and any reference to Secured Obligations means a reference to any of them; and

Specifically Charged Property means the property and assets referred to in clauses 3.1 to 3.12 inclusive.

1.1 In this Debenture (except where the context otherwise requires):

- 1.1.1 a word or phrase the definition of which is contained in or referred to in the Companies Act 2006 has the meaning thereby attributed to it;
- 1.1.2 the singular includes the plural and vice versa and any gender includes the other gender;
- 1.1.3 words importing persons include natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations and trusts (in each case whether or not having a separate legal personality);
- 1.1.4 use of any gender includes the other genders;
- 1.1.5 a person includes that person's successors, personal representatives, permitted assignees and/or transferees, substitutes, executors, administrators, successors in title (as the case may be) whether direct or indirect or any person with whom they may from time to time merge or amalgamate, and Danske Bank is a trading name of Northern Bank Limited;
- 1.1.6 any reference to a statute, statutory provision or subordinate legislation (**legislation**) is (unless the contrary is clearly stated) to be construed as a reference to legislation operative in Northern Ireland and is (except where the context otherwise requires) to be construed as referring to such legislation as amended and in force from time to time and to any legislation which re-enacts or consolidates (with or without modification) any such legislation;
- 1.1.7 save as otherwise provided in this Debenture, any reference to a section, clause, paragraph, sub-clause, sub-paragraph or schedule is a reference to a section, clause, paragraph, sub-clause, sub-paragraph or schedule (as the case may be) of this Debenture;
- 1.1.8 the index and headings are inserted for convenience only and are not to affect the construction of this Debenture;
- 1.1.9 the Companies and the Bank or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- 1.1.10 this Debenture, any guarantee, any facility letters, any ancillary documents, or any other agreement or instrument is a reference to this Debenture, any guarantee, any facility letters any ancillary documents, or such other agreement or instrument as amended, restated, extended, varied, novated, substituted, replaced or supplemented in any manner from time to time, however fundamentally and which may include, without limitation, an increase in facilities provided by the Bank, an increase in any interest rate applicable to facilities provided by the Bank, an increase in the Secured Obligations and/or any rescheduling of financial indebtedness;
- 1.1.11 any reference to a legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing is, in respect of any jurisdiction other than Northern Ireland, to be deemed to include a reference to what most nearly approximates in that jurisdiction to the Northern Irish legal term; and

1.1.12 any phrase introduced by the terms "including", "include", "in particular" or any similar expression is to be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.2 The Schedules form part of this Debenture and are to have effect as if set out in full in the body of this Debenture and any reference to this Debenture includes the Schedules.

1.3 **Joint and Several Liability**

1.3.1 If the expression Companies consists of two or more persons:

- (a) such expression shall mean and include two or more persons and each of them or (as the case may require) any of them;
- (b) all warranties, indemnities, covenants, agreements and obligations given or entered into by the Companies shall be deemed to be made or undertaken by such persons jointly and severally and the act and default of any one of such persons shall be deemed to be the act or default of all or any of them;
- (c) the expression **Secured Obligations** shall be construed to include all Secured Obligations now or in the future, due, owing or incurred by any one or more of such persons to the Bank whether solely or jointly or jointly and severally with any other of them or with any other person;
- (d) none of such persons shall as against the Bank be entitled to any of the rights or remedies legal or equitable of a surety as regards the financial indebtedness, obligations or liabilities of any of the other of them or be entitled in competition with or priority to the Bank to claim or exercise any of the rights (in the nature of contribution or otherwise) of one joint (or joint and several) debtor against another;
- (e) each shall be bound even if any of the others of them intended or expressed to be bound by this Debenture shall not be so bound; and
- (f) the Bank may release or discharge any one or more of them from any liability under this Debenture or in respect of its or their interest in the Specifically Charged Property or the Other Assets or to take any composition from or make any other arrangements or variation with any one or more of them without thereby releasing or discharging any other or others of them or otherwise prejudicing its rights or remedies against any other or others of them or the Specifically Charged Property or the Other Assets.

2 **OBLIGATION TO PAY AND DISCHARGE**

Each Company shall pay and discharge to the Bank on demand the Secured Obligations as and when they become due to be paid or discharged.

3 **CHARGING PROVISIONS**

Each Company as beneficial owner to the intent that the charges contained in this Debenture will be a continuing security for the payment and discharge of the Secured Obligations:

3.1 **HEREBY GRANTS, AND CONVEYS** unto the Bank **ALL THAT AND THOSE** whatever estate, interest, right or title which that Company may have in the freehold land, hereditaments and premises specified in Schedule 2 to this Debenture together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon to hold the same unto the Bank in fee simple subject to the proviso for redemption contained in this Debenture;

3.2 **HEREBY DEMISES** unto the Bank **ALL THAT AND THOSE** whatever estate, interest, right or title which that Company may have in the lands, hereditaments and premises of leasehold tenure specified in

Schedule 2 to this Debenture together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery of that Company from time to time thereon **TO HOLD** the same unto the Bank for the residues of the respective terms of years for which that Company now holds the same less the last three days thereof of each such term the subject for the proviso for redemption contained in this Debenture;

- 3.3 As registered owner or as the person entitled to be registered as owner **HEREBY CHARGES** whatever estate, interest, right or title which that Company may have in all the property, lands, hereditaments and premises specified in Schedule 2 to this Debenture the ownership of which is registered in the Land Registry of Northern Ireland or is required to be so registered pursuant to Land Registration (Northern Ireland) Act 1970 together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon with the payment and discharge to the Bank of all monies and liabilities hereby agreed to be paid or discharged and hereby assents to the registration of the charge as a burden on the said property;
- 3.4 **HEREBY CHARGES** as a first fixed charge unto the Bank all other (if any) freehold and leasehold property of that Company now vested in it (whether or not registered), together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- 3.5 **HEREBY CHARGES** as a first fixed charge all future freehold and leasehold property of that Company, together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon, other than leasehold property in respect of which the consent of the lessor is required for such charge;
- 3.6 **HEREBY CHARGES** by way of first fixed charge any present or future stocks, shares, debentures, bonds, warrants, coupons or other securities and investments owned by that Company including, without limitation, those stocks, shares, debentures, bonds, warrants, coupons or other securities specified in Schedule 2 to this Debenture (together the **Securities**) and any rights attaching and any dividend or interest paid or payable in relation to them and any rights, monies or property accruing or offered at any time in relation to them by way of redemption, substitution, exchange or bonus under option rights or otherwise;
- 3.7 **HEREBY CHARGES** and **ASSIGNS** by way of first fixed charge and assignment the contracts, agreements and licences specified in Schedule 2 to this Debenture (together the **Contracts**) and all right, title and interest of that Company in those contracts, agreements and licences;
- 3.8 **HEREBY CHARGES** as a first fixed charge all other plant, machinery, vehicles, computers and office and other equipment of that Company both present and future (including stock in trade of that Company);
- 3.9 **HEREBY CHARGES** as a first fixed charge all that Company's uncalled capital for the time being and all of that Company's present and future goodwill;
- 3.10 **HEREBY CHARGES** as a first fixed charge all of that Company's rights, title, interest and benefit in all Intellectual Property Rights specified in Schedule 2 to this Debenture (the Intellectual Property Rights) including, without limitation, all computer software and licences and ancillary and connected rights relating to the intangible property both present and future of that Company;
- 3.11 **HEREBY CHARGES** and **ASSIGNS** by way of first fixed charge and assignment:
- 3.11.1 all present and future book debts, revenues and monetary claims now or at any time in the future due, owing or incurred to that Company together with the benefit of all rights, securities, remedies and guarantees of any nature whatsoever now or at any time enjoyed or held by that Company in relation to those book debts, revenues and monetary claims;
- 3.11.2 all that Company's rights, title and interest in and to all other debts in and to which that Company has any right, title or interest; and

- 3.11.3 the balance for the time being standing to the credit of the Account together with all interest on the balance and the debt represented by the balance;
- 3.12 Each Company assigns absolutely by way of security, the benefit of and its whole present and future rights under all leases, licences and agreements and any other contracts or agreements to which it is or may at any time after the date of this Debenture be or become a party to (being **Future Agreements**) and the proceeds of all payments (to include rent), claims, awards and other sums (including liquidated and ascertained damages) paid or payable to that Company under or in respect thereof and all of that Company's present and future claims, rights, remedies and causes of action thereunder;
- 3.13 **HEREBY CHARGES** by way of first floating charge the undertaking and all other assets and property of that Company whatsoever and wheresoever, both present and future including the property and assets referred to in clauses 3.1. to 3.12. (if and in so far as the mortgages and/or charges thereon contained in this Debenture shall be ineffective as mortgages and/or fixed charges).
- 3.14 Each Company hereby attorns tenant to the Bank any part of the Specifically Charged Property at the yearly rent of £1 (if demanded) provided always that the Bank may at any time without notice to the Companies determine the tenancy hereby created and enter upon such Specifically Charged Property but so that neither the receipt of the said rent nor the said tenancy shall render the Bank liable to account to any person as mortgagee in possession.
- 3.15 In respect of any real property of the Companies that is situated in Northern Ireland (including any unregistered properties subject to compulsory first registration at the date of this Debenture) and charged under this Debenture, each Company shall apply for the Security to be registered at the Land Registry of Northern Ireland and irrevocably consent to the Bank applying to the Land Registry of Northern Ireland for an inhibition to be entered against the folio number(s) of that real property on the prescribed Land Registry of Northern Ireland form in the following terms:

"No disposition of the registered estate by the registered owner of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed by the registered owner for the time being of the charge dated _____ in favour of Northern Bank Limited t/a Dansk Bank or, if appropriate, signed on such registered owner's behalf by its secretary, authorised signatory or solicitor."

4 SUPPLEMENTARY PROVISIONS

- 4.1 Immediately upon execution of this Debenture, the Company shall deliver to the Bank or procure the delivery to the Bank, of:
- 4.1.1 in respect of each Contract, a notice in the form set out in Schedule 3, Part 1 (Form of Notice of Assignment of Contracts and Acknowledgement) duly executed by each relevant Company or on its behalf and shall use best endeavours to procure that such notice is acknowledged in the form set out in Schedule 3, Part 2 (Form of Notice of Assignment of Contracts and Acknowledgement) (or in such other form as the Bank may agree) by each relevant party to the Contract;
- 4.1.2 in respect of each of the Securities, an undated stock transfer form in the form set out in Schedule 3 (executed in blank by or on behalf of each relevant Company) in respect of each of such Securities and all share certificates, warrants and other documents of title representing such Securities (including in the case of any Securities which are not in the sole name of a Company, a declaration of trust in respect of the interest of that Company in such Securities executed by each nominee);
- 4.1.3 in respect of the Mortgaged Property, all deeds, certificates and other documents constituting or evidencing title to the Mortgaged Property.

- 4.2 Each Company shall during the continuance of the security constituted by this Debenture from time to time do, execute, acknowledge and deliver all and every such further deeds, conveyances, assignments, demises, mortgages, charges, documents and assurances at law as are necessary or advisable or as the Bank may reasonably require for the purpose of giving the Bank a valid first fixed and specific mortgage, charge or security upon all property and assets of the Companies of the same nature as the Specifically Charged Property and a valid first floating charge upon the Other Assets whether already owned or acquired after the execution of this Debenture by the Companies and for the better granting, conveying, assigning, transfer, demising or charging the same to the Bank for the purpose referred to in this clause 4.2 and for conferring upon the Bank such power of sale and other powers over the said property as are expressed to be conferred by this Debenture.
- 4.3 Each Company **HEREBY DECLARES** that in respect of all or any leasehold lands, hereditaments and premises referred to in clause 3 it will stand possessed of the reversion or respective reversions hereby reserved of the term or several terms of years for which the same are held in trust for the Bank (subject to any equity of redemption subsisting under this Debenture) and will dispose of the same as the Bank may reasonably direct and hereby authorises the Bank to appoint a new trustee or trustees of such reversion or respective reversions in place of each such Company or any trustee or trustees appointed under this power as if it, he, she or they were incapable of acting in the trusts hereby declared and each Company **HEREBY IRREVOCABLY APPOINTS** the Bank the attorney of each such Company to assign the said reversion or respective reversions in the name of each such Company and on its behalf to the Bank or as it may direct subject to such equity of redemption (if any), as may for the time being be subsisting as aforesaid and to execute and do all deeds, documents and acts reasonably necessary or proper for that purpose.
- 4.4 This security will be a continuing security notwithstanding any settlement of account or other matter or thing whatsoever and in particular will not be considered satisfied by any intermediate repayment or satisfaction of all or any of the monies, liabilities and obligations secured by this Debenture and will continue in full force and effect until final repayment in full and total satisfaction of all monies, liabilities and obligations secured by this Debenture; and if upon such final repayment and satisfaction there shall exist any right on the part of any Company or any other person to draw funds or otherwise which, if exercised, would or might cause any Company to become actually or contingently liable to the Bank whether as principal debtor or as surety for another person, then the Bank will be entitled to retain this security and all rights, remedies and powers conferred by this Debenture, the Specifically Charged Property and the Other Assets for so long as shall or might be necessary to secure the discharge of such actual or contingent liability; and in the event that any demand is made by the Bank under this Debenture the said monies will become due and shall be paid and discharged to the Bank and all provisions of this Debenture will apply accordingly.
- 4.5 The security constituted by this Debenture will be in addition to and will not operate so as in any way to prejudice or affect any other security which the Bank may now or at any time in the future hold for or in respect of all or any part of the monies and liabilities secured by this Debenture, nor will any such other security or any lien to which the Bank may be otherwise entitled or the liability of any person not party to this Debenture for all or any part of the monies and liabilities secured by this Debenture be in any way prejudiced or affected by this security. The Bank will have full power at its discretion to give time for payment to or make any other arrangement with any such other person without prejudice to the liability of the Companies under this Debenture.
- 4.6 If all the Secured Obligations covenanted to be paid and discharged in this Debenture have been unconditionally and irrevocably paid and discharged in full the Bank shall, as soon as reasonably practicable after such payment and discharge and at the request and cost of the Companies, execute such documents as may be necessary to release the security created by this Debenture.
- 4.7 If the Bank receives, or is deemed to be affected by actual or constructive notice of any subsequent mortgage, charge or assignment or other disposition or interest affecting the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets, the Bank may open a new interest bearing account for the Companies. If the Bank does not open a new account then unless the Bank gives express notice to the contrary to the Companies, the Bank will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice and as

from that time all payments made to any account of the Companies shall be credited or be treated as having been credited to the new account and will not operate to reduce the amount due from the Companies to the Bank at the time when the Bank received or was deemed to have received that notice.

4.8 Each Company hereby agrees that at any time after the Secured Obligations have become due and payable or at any time after a breach of any representation, warranty, covenant or undertaking to the Bank, the Bank may without notice and notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any of the Companies' existing accounts wheresoever located (including accounts in the name of the Bank or any Company jointly with others and including the Account and the balance for the time being standing to the credit of such accounts together with all interest accrued on such accounts and the debt represented by such accounts), whether such accounts are current, deposit, loan or of any other nature whatsoever, whether they are subject to notice or not and whether they are denominated in sterling or in any other currency, and set-off or transfer any sum standing to the credit of any one or more such accounts in or towards satisfaction of the monies, liabilities and obligations which are now or shall for the time being be due, owing or incurred to the Bank by the Companies whether such liabilities be present, future or contingent, primary or collateral, several or joint. Where such combination, set-off or transfer requires the conversion of one currency into another, such conversion will be calculated at the then prevailing spot rate of exchange (as conclusively determined by the Bank) for purchasing the currency for which the Bank is liable with the existing currency.

4.9 Notwithstanding and without prejudice to any other provisions of this Debenture, the balance for the time being standing to the credit of the Account together with all interest on the balance and the debt represented by the balance (the **Account Balance**) will be held by the Bank on the terms that it will not become repayable to any Company and no Company shall have any entitlement whatsoever to any sums comprising the Account Balance until the date on which it is ascertained to the Bank's satisfaction that:

4.9.1 the Bank is under no commitment, obligation or liability (whether actual or contingent) to make advances or provide other financial accommodation to any Obligor or any other person for whose indebtedness or obligations to the Bank the Companies are responsible whether as principal or surety; and

4.9.2 the Companies do not have any liability (whether actual or contingent) to the Bank in respect of any matter or thing whatsoever.

5 CRYSTALLISATION OF FLOATING CHARGE

5.1 The Bank may at any time after the Secured Obligations have become due and payable, by notice in writing to a Company convert the floating charge created by clause 3.13 of this Debenture over the Other Assets into a fixed charge with immediate effect as regards any of the assets specified in the notice which the Bank considers to be in danger of being seized or sold under any form of distress, attachment, execution, diligence or other process levied or threatened or which may be or become in jeopardy or which have been made or may become the subject of an injunction or otherwise attached.

5.2 Notwithstanding clause 5.1 and without prejudice to any rule of law which may have a similar effect, the floating charge created by clause 3.13 of this Debenture over the Other Assets will, unless otherwise agreed in writing by the Bank, automatically and without notice from the Bank to a Company be converted with immediate effect into a fixed charge in respect of any of the Other Assets subject to it:

5.2.1 immediately prior to the time when any of the Other Assets subject to it become subject to any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention, flawed asset agreement, preferential right or trust arrangement or other security arrangement or agreement or any right conferring a priority of payment or to a disposition contrary to any of the provisions of this Debenture;

5.2.2 if and when any person levies or notifies a Company that it or any other person intends to levy any distress, execution, sequestration or other process against those Other Assets;

- 5.2.3 if and when a Company ceases to carry on business as a going concern;
- 5.2.4 if any of the monies, obligations and liabilities which are secured by this Debenture and which are now or shall for the time being be due, owing or incurred to the Bank by the Companies whether solely or jointly with any other person and whether as principal or surety and including interest, discount, commission and other expenses computed and compounded from time to time become due and outstanding prior to their stated maturity;
- 5.2.5 on the presentation of a petition for the compulsory winding-up of a Company or a petition for the making of an administration order in relation to a Company; or
- 5.2.6 if any meetings of the directors or members of a Company is convened for the purposes of considering any resolution for its winding-up or liquidation or for putting a Company into administration or insolvency or with a view to a composition, assignment or arrangement with its creditors generally (or any class of its creditors) or any meeting is convened for the purposes of considering any event similar or analogous to the foregoing.

6 INSURANCE

- 6.1 The Companies shall at all times during the continuance of the security constituted by this Debenture insure and keep insured or cause to be insured and kept insured:

- 6.1.1 all its buildings, structures, fixed plant and machinery of a kind which is commonly insured by persons owning and operating similar property against loss or damage by fire, flood, explosion, impact by aircraft or articles dropped therefrom, riot, civil commotion and other insurable risks as are commonly insured against from time to time by persons owning and operating similar properties in an amount equal to the full reinstatement cost, allowing for inflation to the likely date of reinstatement;
- 6.1.2 the Companies against loss from liability imposed by law as owner or occupier of any property for damages on account of injury suffered by any person while upon such property or the approaches, walks, roads or other ways immediately adjacent thereto in such amount as will reasonably protect the Companies against loss,

provided that if any insurance policy under which such insurance is effected contains an average clause the Companies shall maintain at all times a sufficient amount of insurance to meet the requirements of such average clause so as to permit full recovery in the case of loss and provided further that the said insurance policies may contain excess clauses to such amounts as may be approved by the Bank (such approval not to be unreasonably withheld).

- 6.2 The Companies shall:

- 6.2.1 notify the Bank in writing as soon as practicable and in any event within five days after becoming aware of any event or circumstance which will or is likely to give rise to a Criminal Damage Claim specifying in reasonable detail the nature of the event or circumstance which will or is likely to give rise to the claim and the extent of the damage to the Specifically Charged Property located in Northern Ireland.
- 6.2.2 at the Companies' cost take such action (including legal proceedings) and give such information and access to personnel, premises, chattels, documents and records to the Bank and its professional advisors as the Bank may reasonably request in order to make, dispute, settle or appeal any Criminal Damage Claim or any adjudication in respect thereto;
- 6.2.3 at the reasonable request of the Bank allow the Bank to take sole conduct of such actions as the Bank may deem appropriate in connection with any Criminal Damage Claim by or in the name of any Company and in that connection give or cause to be given to the Bank all such assistance

as the Bank may reasonably require in disputing, settling or appealing any such claim, and shall instruct such solicitors and other professional advisers as the Bank and the Companies shall agree to act on behalf of the Companies or any Company but to act in accordance with the Bank's sole instructions;

6.2.4 pay all monies received in relation to or arising out of any Criminal Damage Claim to the Bank (or if not paid directly to the Bank) hold or procure that such monies shall be held on trust for the Bank; and

6.2.5 ensure that the Specifically Charged Property located in Northern Ireland are properly insured with the appropriate terrorism insurance available on the market at that time should the Criminal Damage Order ever be repealed in Northern Ireland and notify the Bank immediately upon having put such insurance in place.

6.3 The Companies shall at the request of the Bank insure its other property and assets of a character usually insured against such insurable risks and in such amounts as may be reasonably required by the Bank.

6.4 All such insurance shall be effected in or with such insurance company or companies or underwriters as the Companies may select and the Bank may approve (such approval not to be unreasonably withheld) in the joint names of the Companies and the Bank or at the option of the Bank in the name of the Companies with the interest of the Bank noted on the policies.

6.5 The Companies shall duly and promptly pay or cause to be paid all premiums and other sums of money payable for maintaining any such insurance as aforesaid and shall cause the insurance monies under all policies covering Specifically Charged Property or Other Assets to be made payable to the Bank or otherwise deal with such policies and contracts of insurance in such manner as to enable the insurance monies on all losses to be collected by the Bank.

6.6 All policies covering Specifically Charged Property or Other Assets shall contain clauses whereby the insurer agrees that the policies will not be cancelled or terminated and will not expire without 10 days notice in writing to the Bank or provisions to this effect to the extent from time to time available from insurers.

6.7 Contemporaneously with or prior to the execution of this Debenture, the Companies shall deliver to the Bank policies or cover notes or other evidence acceptable to the Bank of the insurance required to be maintained under clause 6.1, and on or prior to the expiry of any insurance policy the Companies will exhibit or deliver to the Bank a renewal receipt, cover note or new policy (or a certified copy of such renewal receipt, cover note or new policy) replacing such expiring insurance or otherwise satisfy the Bank that such insurance is being renewed.

6.8 All monies paid to the Companies and representing proceeds paid under any policies or contracts of insurance as a result of actual damage to or destruction of the Specifically Charged Property or Other Assets shall be paid to the Bank and may be applied by the Bank:

6.8.1 to the payment of the indebtedness secured by this Debenture in the event the security constituted by this Debenture is enforceable while such monies are still in the hands of the Bank;
or

6.8.2 on and subject to such reasonable terms and conditions as the Bank and the Companies may agree to meet the costs of repairing, reconstructing or replacing the property damaged or destroyed

and the balance, if any, shall be paid to the Companies.

7 GENERAL PROTECTION OF ASSETS AND COVENANTS

7.1 The Companies shall not create or permit to subsist any mortgage, charge, pledge, debenture, lien or other encumbrance securing any obligation of any person or any other type of preferential arrangement having a similar effect.

7.2 Each Company shall also at all times during the continuance of the security constituted by this Debenture:

7.2.1 not, without the previous consent in writing of the Bank, which consent shall not be unreasonably withheld or delayed, remove or destroy any of the buildings, plant, machinery, fixtures, fittings, vehicles, computers and office and other equipment or any structure whatsoever now or in the future owned by any Company unless that property is worn out or rendered unfit for use or unless such removal or destruction shall be with a view immediately to replacing that property by other property of a more useful or convenient character and of at least equal value or utility;

7.2.2 keep all buildings for the time being comprised in its undertaking, property and assets and all plant, machinery, fixtures, fittings, vehicles, computers and office and other equipment in, upon or about the same and used for the purpose of or in connection with its business in such state of repair and in such working order and condition as from time to time it considers proper for the purpose of the efficient and economic carrying on of its business, and permit the Bank or any person as it may from time to time in writing for that purpose appoint to enter after reasonable notice into and upon the said buildings to view their state and condition and of all such plant, machinery and other property referred to in this clause 7.2.2 and promptly furnish the Bank with all information as it may from time to time reasonably require regarding the location and physical state and condition of the Specifically Charged Property and the Other Assets;

7.2.3 notify the Bank in writing of all of the Companies' Intellectual Property Rights upon reasonable written demand by the Bank and make such applications and maintain such registrations to keep those registered Intellectual Property Rights which are material to the Companies' business in force and to record the Companies' interest in those Intellectual Property Rights, take such reasonable and proportionate steps at its own expense as are within its power (including, without limitation, the institution of legal proceedings) to prevent third parties infringing the Intellectual Property Rights and use its best endeavours to procure that any further Intellectual Property Rights licensed to it are freely assignable and chargeable to the Bank;

7.2.4 if requested to do so by the Bank from time to time, make entries in any appropriate public register (in Northern Ireland or elsewhere) of the Companies' Intellectual Property Rights which record the existence of this Debenture;

7.2.5 in the event of a notice being served affecting the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets or in the event of any proceedings being commenced affecting the Specifically Charged Property or the Other Assets in a matter of material importance immediately give full particulars of the notice or proceedings to the Bank;

7.2.6

(a) do, observe and perform all its obligations and all matters and things necessary or expedient to be done, observed and performed under or by virtue of every lease, licence, fee farm grant, agreement or other instrument relating to its freehold and leasehold property and every other lease, licence and agreement to which it is a party so as to preserve, protect and maintain all of its rights in them;

(b) not suffer or permit any default for which any of the same may be terminated or as a result of which any party thereto may be relieved of any liability or obligation but, on the contrary, exercise and enforce from time to time all its rights and remedies;

- (c) if and when entitled to do so, renew all such leases, licences and agreements so long as the same have utility or commercial value; and
- (d) on the expiration of any such leases, licences and agreements, use its best endeavours to obtain new leases, licences or agreements as the case may be on the most favourable terms available so long as the same have utility or commercial value;

7.2.7

- (a) not exercise the statutory powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by Section 18 of the 1881 Act without the prior written consent of the Bank such consent not to be unreasonably withheld or delayed;
- (b) not without such consent either in the purported exercise of the said statutory powers or otherwise grant or agree to grant or accept or agree to accept a surrender of any lease, licence or tenancy of the Specifically Charged Property or any part of the Specifically Charged Property;
- (c) not part with possession or occupation of the Specifically Charged Property or any part of the Specifically Charged Property without the prior written consent of the Bank such consent not to be unreasonably withheld or delayed; and
- (d) not cause any person to become a protected or statutory tenant of any of the Specifically Charged Property or any part of the Specifically Charged Property under the Business Tenancies (Northern Ireland) Order 1996 or the Rent (Northern Ireland) Order 1978 or the Private Tenancies (Northern Ireland) Order 2006;

7.2.8 comply in all material respects with the provisions of all present and future statutes and every notice, order, direction, licence, consent or permission given or made under those statutes (including without limitation all applicable Environmental Laws and Environmental Licences) and the requirements of any competent authority so far as any of the same shall relate to its assets or their user or anything done on the freehold and leasehold property comprised in the Specifically Charged Property and the Other Assets, and use all freehold and leasehold property comprised in the Specifically Charged Property and the Other Assets only for purposes for the time being authorised as the permitted use or user thereof under or by virtue of the Planning Acts;

7.2.9 not carry out any development within the meaning of the Planning Acts in or upon any such freehold or leasehold property without first obtaining such permission as may be required under or by virtue of the Planning Acts;

7.2.10

- (a) within seven days after the receipt of any notice or proposal for a notice or order or proposal for an order given, issued or made to a Company by a planning authority under or by virtue of the Planning Acts in respect of any such freehold and leasehold property, give full particulars of the notice, proposal or order to the Bank;
- (b) if so required by the Bank, produce the notice, proposal or order;
- (c) without delay take all reasonable or necessary steps to comply with such notice or order; and
- (d) at the request of the Bank, make or join with the Bank in making such application, appeal or representations against or in respect of any proposal for such notice or order as the Bank may deem expedient;

- 7.2.11 pay or cause to be paid all rents, taxes, rates, assessments, impositions, calls and outgoings, whether governmental, municipal or otherwise, imposed upon or payable in respect of the Specifically Charged Property or Other Assets or any part of the Specifically Charged Property or Other Assets as and when the same become payable, and also punctually pay and discharge, or cause to be paid and discharged, all debts and obligations to or in respect of persons employed by the Companies which by law may have priority over the security created by this Debenture;
- 7.2.12 use its best endeavours not to trade under conditions imposing reservation of title in favour of creditors and, if such trading does occur, immediately advise the Bank of the terms of such trading including details of contract, names of suppliers and amounts involved;
- 7.2.13
- (a) procure that each Company's present and future debtors pay into the Account all monies due, owing or incurred in respect of the Debts; and
 - (b) immediately remit to the Bank any such monies which come into the hands of the Companies for payment into the Account and, until so remitted, hold such monies shall be held as trustee for the Bank;
- 7.2.14
- (a) not, without the prior written consent of the Bank, purport to charge, sell, assign, factor, transfer, discount or otherwise dispose of, or permit to subsist, any charge or lien over the Debts or the Account or any interest in the Debts or the Account in favour of any other person;
 - (b) save to the extent that the Bank otherwise agrees in writing, not withdraw or direct any payment of all or any monies (including interest) standing to the credit of the Account; and
 - (c) if called upon to do so by the Bank, execute a legal assignment of the Debts to the Bank;
- 7.2.15 not, without the prior written consent of the Bank permit or agree to any variation of the rights attaching to the Debts or any of them;
- 7.2.16 not without the prior written consent of the Bank, release, exchange, compound, set-off, grant time or indulgence in respect of or in any other manner deal with all or any of the Debts save as expressly provided in this Debenture;
- 7.2.17 at its own expense institute, continue or defend all such proceedings in connection with the Debts as the Bank may reasonably require;
- 7.2.18 not carry on its business in relation to the Debts otherwise than as set out in clauses 7.2.13 to 7.2.17;
- 7.2.19 duly and promptly pay all calls, instalments or other monies which may from time to time become due in respect of any of the Securities, it being acknowledged by the Companies that the Bank shall not in any circumstances incur any liability whatsoever in respect of any such calls, instalments or other monies;
- 7.2.20 forthwith upon the execution of this Debenture, in accordance with clause 4.1.2, deposit with the Bank all certificates or documents of title in respect of the Securities together with a duly executed instrument of transfer or an assignment (as appropriate) of the Securities in blank, and it is agreed that the Bank will be entitled at any time to have all or any of the Securities registered in the name of the Bank or of such nominee as the Bank may select;

7.2.21 deliver or pay to the Bank or procure that there are delivered or paid to the Bank, all stocks, shares, securities, rights, monies or other property accruing, offered or issued at any time by way of bonus, redemption, exchange, purchase, substitution, conversion, preference, option or otherwise in respect of any of the Securities or the certificates or other documents of title to or representing them together with an executed instrument of transfer or an assignment in blank, and the Bank is hereby authorised to arrange at any time and from time to time for any of the Securities to be registered in the name of the Bank or such nominee as the Bank may select; and

7.2.22 not sell, assign, part with, transfer, lease, license or otherwise dispose of the benefit of all or any of any Company's right, title and interest in and to the Specifically Charged Property or the Other Assets or any part of them (save for sales of its stock in trade at not less than market value in the ordinary and usual course of its trading business and until such time as the floating charge created by clause 3.13 has been converted into a fixed charge pursuant to clause 5.1 or clause 5.2 or by operation of law), and not agree to, or grant any option in respect of, any of the foregoing.

7.3 If any Company fails to perform any obligation on its part contained in this Debenture, the Bank may themselves or by any agents perform any of the said covenants capable of being performed by it or by such agents, and if any such obligation requires the payment or expenditure of money the Bank may make such payment or expenditure with its own funds or with money borrowed by or advanced to it for such purpose but will be under no obligation so to do; all sums so expended or paid shall be added to the indebtedness secured by this Debenture and will bear interest accordingly and will be repayable to the Bank on demand.

8 RECEIVERS

8.1 At any time after the Secured Obligations have become payable or if the Companies requests the Bank to do so, the Bank may appoint by Deed in writing under the hand of a duly authorised officer of the Bank any person or persons considered by it to be competent to be a receiver or a receiver and manager (hereinafter called a **Receiver** which expression will, where the context so admits, include the plural and any substituted receiver or receiver and manager) of any part of the Specifically Charged Property and/or any part of the Other Assets, and may from time to time in writing under the hand of a duly authorised officer of the Bank remove any Receiver so appointed and appoint another in his stead.

8.2 A Receiver so appointed will be the agent of the Companies, and the Companies will be solely responsible for his acts and defaults, and the Bank will have power from time to time to fix the remuneration of any Receiver appointed by the Bank and to direct payment thereof out of the Specifically Charged Property and the Other Assets or any part thereof, but the Companies will alone be liable for the payment of such remuneration, and the provisions of Section 24 of the 1881 Act (as modified by the provisions of this Debenture) with the exception of sub-sections 6 and 8 will apply hereto.

8.3 A Receiver so appointed under clause 8.1 will have and be entitled to exercise all powers conferred by the 1881 Act and the 1911 Act and Schedule 1 of the Insolvency (Northern Ireland) Order 1989 and all other statutes in the same way as if the Receiver had been duly appointed under the 1881 Act and the 1911 Act, and will furthermore, but without limiting any powers referred to in this Debenture, have power to:

8.3.1 take possession of, collect and get in all or any part of the property in respect of which the Receiver is appointed, and for that purpose take any proceedings in the name of any Company or otherwise as may seem expedient;

8.3.2 carry on or manage or develop or diversify or concur in carrying on or managing or developing or diversifying the business of any Company, and for that purpose raise money on any part of the property in respect of which the Receiver is appointed in priority to this security or otherwise;

- 8.3.3 exercise all or any of the powers which an absolute owner would have of managing and superintending the management of the property in respect of which the Receiver is appointed, and in particular to sell or concur in selling, let or concur in letting, surrender and/or accept surrenders of leases of any part of such property in such manner and generally on such terms and conditions as the Receiver thinks fit, and to carry any such sale, letting or surrender into effect by conveying, leasing, letting, surrendering or accepting surrenders in the name of or on behalf of any Company or otherwise; any such sale may be for cash, debentures or other obligations, shares, stock or other valuable consideration and may be payable in a lump sum or by instalments spread over such period as the Bank or the Receiver shall think fit and so that any consideration or part of such consideration received in a form other than cash shall *ipso facto* forthwith on receipt be and become charged with the payment of all the monies secured by this Debenture as though it had been included in the charge hereby created and formed part of the Specifically Charged Property or the Other Assets (as the case may be). Plant, machinery and other fixtures may be severed and sold separately from the premises containing them without the consent of the Companies being obtained thereto;
- 8.3.4 make any arrangements or compromise which the Receiver or the Bank may think expedient;
- 8.3.5 make and effect any repairs, renewals and improvement of the plant, machinery and effects of any Company which the Receiver or the Bank may think necessary and to maintain or renew all insurances;
- 8.3.6 make calls conditionally or unconditionally on the members of any Company in respect of the uncalled capital of any Company with such and the same powers for the purpose of enforcing payment of any calls so made as are by the Articles of Association of that Company conferred on the directors of that Company in respect of calls authorised to be made by them in the names of the directors or in that of the relevant Company or otherwise and to the exclusion of the directors' power in that behalf;
- 8.3.7 appoint managers, officers, servants, workmen and agents for the above purposes at such salaries and for such periods as the Receiver may determine;
- 8.3.8 enter upon any part of the Specifically Charged Property and any part of the Other Assets from time to time with or without workmen and others for the purpose of making and effecting any repairs, renewals or alterations to any part of the Specifically Charged Property or the Other Assets including (without prejudice to the generality of the foregoing) the completion of any buildings in the course of erection or other works in progress thereon which the Receiver may think necessary, and appoint architects, surveyors, contractors, workmen and agents for the above purposes on such terms as the Receiver may determine, and (without prejudice to the power hereinafter conferred) borrow from the Bank on the account of the Companies all such monies as the Receiver may require for the above purposes to the intent that all monies advanced by the Bank to the Receiver for the said purposes will be secured by this Debenture;
- 8.3.9 where the Receiver is an administrative receiver of any Company the Receiver shall have all the rights, powers and discretions of an administrative receiver under the Insolvency (Northern Ireland) Order 1989; and
- 8.3.10 do all such other acts and things as may be incidental or conducive to any of the matters or powers above and which the Receiver lawfully may or can do as agent for the Companies.
- 8.4 The foregoing powers of appointment of a Receiver are in addition to and not to the prejudice of all statutory and other powers of the Bank under the 1881 Act and the 1911 Act (as varied or disappplied herein) or otherwise, and so that such powers will be and remain exercisable by the Bank in respect of any part of the Specifically Charged Property or Other Assets in respect of which no appointment of a Receiver by the Bank is for the time being subsisting, notwithstanding that an appointment under the powers of clause 8.1. shall have subsisted and been withdrawn in respect of that part of the Specifically Charged

Property or Other Assets or shall be subsisting in respect of any other part of the Specifically Charged Property or Other Assets.

- 8.5 All monies received by the Receiver shall be applied by the Receiver for the following purposes (subject to the claims of secured or unsecured creditors (if any) ranking in priority to this Debenture) and in the following order:

- 8.5.1 in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise of all or any of the above powers and of all outgoings properly paid by the Receiver;
- 8.5.2 in payment of remuneration to the Receiver at such rate as may be agreed between the Receiver and the Bank; and
- 8.5.3 in or towards payment to the Bank of all monies the payment of which is secured by this Debenture for distribution,

and any surplus shall be, as soon as reasonably practicable, paid to the Companies or any other person entitled thereto.

- 8.6 Neither the Bank nor any Receiver appointed under this Debenture will be liable to account as mortgagee or mortgagees in possession in respect of any of the Specifically Charged Property or Other Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever (except to the extent that the same results from the Bank's or the Receiver's negligence or wilful default) in connection with any of the Specifically Charged Property or Other Assets for which a mortgagee in possession might as such be liable, and all costs, charges and expenses incurred by the Bank or any Receiver appointed under this Debenture (including the costs of any proceedings to enforce the security hereby given) shall be paid by the Companies on a solicitor and own client basis and will be charged on the Specifically Charged Property and Other Assets.

- 8.7 The foregoing powers of appointment of a Receiver are in addition to and not to the prejudice of all statutory and other powers of the Bank under the 1881 Act and the 1911 Act (and so that any statutory power of sale will be exercisable without the restrictions contained in Sections 19 and 20 of the 1881 Act) or otherwise, and so that such powers will be and remain exercisable by the Bank in respect of any part of the Specifically Charged Property or Other Assets in respect of which no appointment of a Receiver by the Bank is for the time being subsisting, notwithstanding that an appointment under the powers of clause 8.1. shall have subsisted and been withdrawn in respect of that part of the Specifically Charged Property or Other Assets or shall be subsisting in respect of any other part of the Specifically Charged Property or Other Assets.

- 8.8 No purchaser or other person will be bound or concerned to see or enquire whether the right of the Bank or any Receiver appointed by the Bank to exercise any of the powers conferred by this Debenture has arisen or not or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.

9 LIABILITY OF CHARGEES AND RECEIVER

- 9.1 In the event that the Bank takes possession under this Debenture of the Specifically Charged Property or the Other Assets or any part or parts of the Specifically Charged Property or the Other Assets or otherwise exercises any statutory powers or any additional powers set forth in this Debenture, it will not be accountable as a mortgagee in possession of the Specifically Charged Property or Other Assets as the case may be.
- 9.2 In the event that the Bank or any Receiver appointed by the Bank under this Debenture enters into possession of any of the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets, the Bank or such Receiver as the case may be is hereby

irrevocably authorised as agent of the Companies to list, and to remove, store, sell or otherwise dispose of, all or any furniture or other chattels which have not been removed from the said property at the expiration of seven days from the date of such entry into possession, and any list so made will be conclusive evidence as between the Bank and such Receiver and the Companies of the matters therein contained, and the Companies shall indemnify the Bank and the Receiver against all claims and demands in respect of such removal, storage, sale or other disposition and against all costs and expenses incurred in connection therewith.

- 9.3 The Bank will not be liable for any involuntary losses which may happen in or about the exercise or execution of the statutory power of sale or any of the powers or trusts expressed or implied which may be vested in the Bank by virtue of this Debenture.

10 ADMINISTRATOR

10.1 Appointment

10.1.1 This Debenture contains a qualifying floating charge and paragraph 15 of Schedule B1 to the Insolvency (NI) Order 1989 shall apply to any floating charge created by this Debenture.

10.1.2 At any time after a floating charge created by this Debenture has become enforceable, the Bank may appoint an administrator of a Company.

10.1.3 Any reference in this Debenture to an administrative receiver, a receiver or receiver and manager shall include, where the context so admits and the law so allows, any administrator appointed by the Bank.

11 CHARGE AS MORTGAGEE IN POSSESSION

In addition to the statutory powers incidental to the estate or interest of mortgagees contained in Section 19 of the 1881 Act, at any time after the Bank in accordance with the provisions of this Debenture enters into possession of the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets, the Bank will have power to:

- 11.1 effect and carry out upon any building or erection for the time being comprised in such part of the Specifically Charged Property or the Other Assets of which the Bank is in possession any such repairs, amendments, alterations and additions as the Bank may reasonably consider necessary or desirable for the maintenance or protection of all or any part of the Specifically Charged Property or the Other Assets;
- 11.2 charge or agree to charge any of the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets of which the Bank is in possession for such period at such rent and upon such terms with or without a premium or fine in all respects as the Bank may from time to time reasonably think fit; and
- 11.3 perform or cause to be performed all acts and things requisite or desirable according to the law of the country in which the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets of which the Bank is in possession is situate for the purpose of giving effect to the exercise of any of the said powers, authorities and discretions.

12 STATUTORY POWERS

- 12.1 At any time after the Secured Obligations have become due and payable, the statutory powers of sale and of appointing a receiver conferred by Section 19 of the 1881 Act will immediately arise and be exercisable by the Bank free from the restrictions contained in Section 20 of that Act.
- 12.2 The restrictions on the right of consolidating mortgages contained in Section 17 of the 1881 Act will not apply to this security.

13 CURRENCY CLAUSES

- 13.1 All monies received or held by the Bank or by a Receiver under this Debenture may from time to time after demand has been made be converted into such other currency as the Bank considers necessary or desirable to cover the obligations and liabilities of the Companies in that currency at the then prevailing spot rate of exchange (as conclusively determined by the Bank) for purchasing the currency to be acquired with the existing currency.
- 13.2 If and to the extent the Companies fails to pay the amount due on demand, the Bank may in its absolute discretion without notice to the Companies purchase at any time thereafter so much of a currency as the Bank considers reasonably necessary or desirable to cover the obligations and liabilities of the Companies in such currency, secured by this Debenture, at the then prevailing spot rate of exchange (as conclusively determined by the Bank) for purchasing such currency with sterling and the Companies hereby agrees to indemnify the Bank against the full sterling price (including all costs, charges and expenses) paid by the Bank.
- 13.3 No payment to the Bank (whether under any judgment or court order or otherwise) will discharge the obligation or liability of the Companies in respect of which it was made unless and until the Bank receives payment in full in the currency in which such obligation or liability was incurred, and to the extent that the amount of any such payment, on actual conversion into such currency, fall short of such obligation or liability expressed in that currency, the Bank will have a further separate cause of action against the Companies and will be entitled to enforce the charges created by this Debenture to recover the amount of the shortfall.

14 MISCELLANEOUS PROVISIONS

14.1 Costs:

- 14.1.1 All costs, charges and expenses (on a full indemnity basis) properly occasioned by or incidental to this or any other security held by or offered to the Bank for the same indebtedness or by or to the enforcement of any such security and incurred, suffered or paid by the Bank will be charged on the Specifically Charged Property and the Other Assets and will be treated as monies due from the Companies to the Bank on current account and will bear interest and be secured accordingly.
- 14.1.2 The charges conferred by this Debenture will be in addition and without prejudice to any and every other remedy, lien or security which the Bank may or but for the said charges would have for the monies and liabilities secured by this Debenture.
- 14.1.3 The Companies shall pay all stamp, registration and other taxes to which this Debenture or any judgment given in connection with this Debenture is or at any time may be subject and shall indemnify the Bank against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax.
- 14.1.4 Any certificate or determination of the Bank as to any matter provided for in this Debenture will be conclusive and binding on the Companies.

14.2 Interest:

Any interest payable under the terms of this Debenture will be payable as well after as before any judgment.

14.3 Power of Attorney:

Each Company by way of security hereby irrevocably appoints and constitutes the Bank and any Receiver appointed by the Bank under this Debenture jointly and also severally the attorney and also the attorneys

of that Company on that Company's behalf and in the name of that Company and as its act and deed to do all acts and to execute, seal or otherwise perfect any deed, assurance, agreement, instrument, document or act which that Company could itself do in relation to the Specifically Charged Property and the Other Assets or which may be reasonably required or which may be deemed reasonably proper for any of the matters provided for in this Debenture.

14.4 Notices:

- 14.4.1 Any notice or demand for payment to be given or served under this Debenture shall be in writing and shall be duly expressed to be a notice or demand under this Debenture and will be deemed duly given or served if sent by facsimile at the time of transmission (subject to the correct code or facsimile number being received) or if posted 48 hours after the time at which it was posted or, if delivered by hand, at the time of delivery if such a day is a Business Day or if such day is not a Business Day on the next following Business Day, to the party to whom it is to be given or served at its address set out below or such other address or facsimile number as such party may have previously communicated for such purpose by notice to the party giving such first mentioned notice or demand. The addresses and facsimile numbers for service on the parties to this Debenture are:

The Companies	Address:	Lagan House 19 Clarendon Road Clarendon Dock Belfast BT1 3BG
	Attention:	Sean McCann
	Facsimile Number:	+442890261067
The Bank	Address:	Northern Bank Limited t/a Danske Bank Corporate Banking Centre 1 st floor, Donegall Square West Belfast BT1 6JS
	Attention:	Geoffrey Sharpe
	Facsimile Number:	+442890 049701

- 14.4.2 Any party giving or serving a notice or demand under this Debenture by facsimile shall, but without prejudice to the validity of the notice or demand given, send a copy of the notice or demand by pre-paid registered post to the party receiving such notice or demand to that party's address set out in clause 14.4.1 or to such other address as such party shall have previously communicated by notice to the party giving such first-mentioned notice or demand.
- 14.4.3 Any notice or demand given or served under this Debenture will be deemed to have been received by the party so receiving such notice or demand on the Business Day of such receipt only if the notice or demand has been received during usual business hours on such Business Day, and if the notice or demand is received outside usual business hours it will be deemed to have been received on the next following Business Day.

14.5 Waiver and Forbearance:

- 14.5.1 The rights of the Bank will not be prejudiced or restricted by any indulgence or forbearance extended to the Companies or other parties, and no waiver by the Bank in respect of any breach will operate as a waiver in respect of any subsequent breach.

- 14.5.2 No failure or delay by the Bank in exercising any right or remedy will operate as a waiver of such right or remedy, nor will any single or partial exercise or waiver of any right or remedy prevent its further exercise or the exercise by the Bank of any other right or remedy.

14.6 Remedies Cumulative:

The rights and remedies of the Bank under this Debenture are cumulative and are without prejudice and in addition to any rights or remedies which the Bank may have at law or in equity. No exercise by the Bank of any right or remedy under this Debenture, or at law or in equity, shall (save to the extent, if any, provided expressly in this Debenture, or at law or in equity) operate so as to hinder or prevent the exercise by it of any other right or remedy. Each and every right and remedy may be exercised from time to time as often and in such order as may be deemed expedient by the Bank.

14.7 Severability:

If a term or provision in this Debenture is or becomes illegal, invalid or unenforceable, in whole or in part, in any respect (or any of the security intended to be created by or pursuant to this Debenture is ineffective) under the law of any jurisdiction, such illegality, invalidity or unenforceability shall not affect:

- 14.7.1 the legality, validity or enforceability of the remaining provisions or the effectiveness of any of the other provisions of this Debenture in that jurisdiction; or
- 14.7.2 the legality, validity or enforceability of such provision or the effectiveness of any other provision of this Debenture under the laws of any other jurisdiction.

14.8 Assignment:

- 14.8.1 No Company may assign nor enter into any trust arrangement with any third party in respect of any of its rights under this Debenture.
- 14.8.2 The Bank will be entitled to assign the benefit of this Debenture or any part of this Debenture to any person, and the Companies hereby consent to any such assignment. The Bank will be entitled to impart any information concerning the Companies to any assignee or successor in title.
- 14.8.3 In the event of assignment by the Bank as permitted by clause 14.8.2, the Companies shall at the request of the Bank join in such assignment so as to cause full beneficial title to the security created by this Debenture to be passed to the relevant assignee.

14.9 Counterparts:

This Debenture may be entered into in the form of two or more counterparts, each executed by one of the parties but, taken together, executed by all, and, provided that all of the parties so enter into the Debenture, each of the executed counterparts, when duly exchanged or delivered, will be deemed to be an original but, taken together, will constitute one instrument.

14.10 Variation:

This Debenture may not be released, discharged, supplemented, amended, varied or modified in any manner except by an instrument in writing signed by a duly authorised officer or representative of each of the parties to this Debenture.

14.11 Governing Law and Jurisdiction:

- 14.11.1 This Debenture and all relationships created hereby and arising out of or in connection with it, together with all Disputes, will in all respects be governed by and construed in accordance with the laws of Northern Ireland.

14.11.2 The Companies hereby agrees for the exclusive benefit of the Bank that any legal action or proceedings (**Proceedings**) brought against the Companies with respect to this Debenture may be brought in the High Court in Northern Ireland or such other competent court of Northern Ireland as the Bank may elect, and the Companies waives any objection to Proceedings in such courts whether on grounds of venue or on the grounds that Proceedings have been brought in any inconvenient forum. The Companies undertake to enter an unconditional appearance within 14 days after the completion of any service or process in any Proceedings. The Companies hereby consent to the service by post of any process issued in connection with this Debenture. Nothing in this Debenture will affect the right to serve process in any other manner permitted by law.

14.11.3 Nothing contained in this Debenture will limit the right of the Bank to take Proceedings, for cause, against the Companies in any other court of competent jurisdiction, nor will the taking of any Proceedings, for cause, in any one or more jurisdictions preclude the taking by the Bank of Proceedings, for cause, in any other jurisdiction whether concurrently or not.

14.12 Land Registry:

The address of the Bank in Northern Ireland for service of notices is c/o A&L Goodbody, 6th Floor, 42-46 Fountain Street, Belfast BT1 5EF.

IN WITNESS whereof this Debenture has been duly executed as a deed on the date first above written.

SCHEDULE 1

THE COMPANIES

Company Name	Company Number	Registered Office
Lagan Management Limited	NI612954	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG
Lagan Homes (N.I.) Ltd	NI620390	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG
Eastonville Limited	NI619276	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG
Lagan Homes (Lisburn) Ltd	NI627960	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG
Lagan Homes (Ardnavey) Ltd	NI622337	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG
Lagan Homes (Magherahinch) Ltd	NI619007	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG
Lagan Homes (Woodbrook) Ltd	NI638228	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG
Lagan Homes Newtownards Ltd	NI620735	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG
Lagan Homes (Blackwood) Ltd	NI604027	Lagan House, 19 Clarendon Road, Belfast, Antrim, BT1 3BG

SCHEDULE 2

UNREGISTERED FREEHOLD LAND

Security Provider	Description of Property
None as at the date hereof	

UNREGISTERED LEASEHOLD LAND

Security Provider	Description of Property
None as at the date hereof	

REGISTERED LAND

Security Provider	Description of Property
Lagan Homes (Lisburn) Ltd	Lands and premises situate at Magheralave Road, Lisburn, Co. Antrim, Northern Ireland, being the lands and premises comprised in folios AN20471 & AN20472, County Antrim

SECURITIES

Security Provider	Charged Company	Registered Number of Charged Company	Description of Securities	Number of Securities
None as at the date hereof				

CONTRACTS

Security Provider	Counterparties to Contract	Details of Contract	Contract Value
Lagan Homes (Lisburn) Ltd	Lagan Homes (G.B) Ltd (formerly Lagan Homes (Northampton))	Loan Agreement between Lagan Homes (G.B) Ltd (formerly Lagan Homes (Northampton)) and Lagan Homes (Lisburn) Limited	£4,000,000

INTELLECTUAL PROPERTY RIGHTS

Domain Name	Registrant
None as at the date hereof	

SCHEDULE 3 – NOTICE OF ASSIGNMENT

(On headed notepaper of the Company)

[Date]

To: [Insert Addressee - Contract Counterparty details]

Attention: []

Re: [Insert Contract details] (the **Contract(s)**)

Dear Sirs

We hereby give you notice that we have charged and assigned to Northern Bank Limited t/a Danske Bank (the **Bank**) pursuant to a debenture entered into by us in favour of the Bank on [] over all our right, title and interest in and to the Contract(s) including all monies which may be payable in respect of such Contract(s).

With effect from your receipt of this notice, we hereby irrevocably instruct and authorise you:

- 1 to pay all monies due to us under or arising from the Contract(s) to the Bank or to its order as it may specify in writing from time to time;
- 2 to disclose to the Bank at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure), such information relating to the Contract(s) as the Bank may from time to time request;
- 3 to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Contract(s), which you receive at any time from the Bank without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions; and
- 4 to send copies of all notices and other information given or received under the Contract(s) to the Bank.

These instructions may only be revoked or amended with the prior written consent of the Bank.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and return the same to the Bank at Donegall Square West Belfast BT1 6JS marked for the attention of [].

This letter is governed by, and shall be construed in accordance with, Northern Irish law.

Yours faithfully

Authorised Signatory

For and on behalf of [the Company]

Part 2 – Acknowledgment of Assignment

(On headed notepaper of relevant Contract Counterparty)

[Date]

To: [Insert addressee – The Bank - details]

Re: [Insert Contract details] (the Contract)

In the name of [] (the Assignor)

Dear Sirs,

We confirm receipt from [insert name of Assignor] of a notice (the Notice) dated • with respect to the assignment of the Assignor's rights, title and interest in and to the Contract.

We confirm that:

- 1 we accept the instructions contained in the Notice and we undertake to act in accordance with and comply with the terms of the Notice;
- 2 we have not received notice of the creation of any assignment, charge or other interest over the Company's rights, title or interest in or to the Contract; and
- 3 notwithstanding such assignment, the Company remains liable to perform and observe all obligations on its part contained in the Contract and you shall not be in any way responsible for performing or observing those obligations or for any failure on the part of the Company to do so.

This letter is governed by, and shall be construed in accordance with, Northern Irish law.

Yours faithfully

On behalf of

[Counterparty]

SCHEDULE 4

STOCK TRANSFER FORM			
	Consideration Money:		Certificate lodged with the Registrar (For completion by the Registrar/Stock Exchange)
	Full name of Undertaking		
	Description of Security		
	Number or amount of Shares, Stock or other security and, in figures column only, number and denomination of units, if any.	Words	Figures
	<p>Name(s) of registered holder(s) should be given in full: the address should be given where there is only one holder.</p> <p>If the transfer is not made by the registered holder(s) insert also the name(s) and capacity (e.g., Executor(s)) of the person(s) making the transfer.</p> <p>In the name(s) of:</p>		
	(Delete words in italics except for stock exchange transactions)	<p>I/We hereby transfer the above security out of the name(s) aforesaid to the person(s) named below or to the several persons named in Parts 2 of Brokers Transfer Forms relating to the above security:</p> <p>Signature(s) of transferor(s):</p>	<p>Stamp of Selling Broker(s) or, for transactions which are not stock exchange transactions, of Agent(s), if any, acting for the Transferor(s).</p>
	<p>EXECUTED and DELIVERED as a DEED by</p> <p>.....</p>		

15. **Endorsement for use only in stock exchange transactions)**

16. The security represented by the transfer overleaf has been sold as follows: —

		<p><i>In the presence of :</i></p> <p>Signature _____ of _____ witness:.....</p> <p>Name, address and occupation of witness: </p>	<p>Date</p>
<p>A body corporate should execute this transfer under its common seal or otherwise in accordance with applicable statutory requirements.</p>			
	<p>Full name(s) and full postal address(es) (including County or, if applicable, Postal District number) of the person(s) to whom the security is transferred.</p> <p>Please state title, if any, or whether Mr., Mrs. or Miss.</p> <p>Please complete in typewriting or in Block Capitals.</p>		
<p>I/We request that such entries be made in the register as are necessary to give effect to this transfer.</p>			
	<p>Stamp of Buying Broker(s) (if any).</p>		<p>Stamp or name and address of person lodging this form (if other than the Buying Broker(s)).</p>

Shares/Stock		Shares/Stock
Shares/Stock		Shares/Stock
Shares/Stock		Shares/Stock
Shares/Stock		Shares/Stock

Balance (if any) due to Selling Broker(s)		
Amount of Certificate(s)		
		Brokers Transfer Forms for above amount certified
Stamp of certifying Stock Exchange	Stamp of Selling Brokers(s)	

CERTIFICATE 1: FORM OF CERTIFICATE REQUIRED WHERE TRANSFER IS EXEMPT FROM AD VALOREM STAMP DUTY AS BELOW THRESHOLD

* Please delete as appropriate I/We* certify that the transaction effected by this instrument does not form part of a larger transaction or series of transactions in respect of which the amount or value, or aggregate amount or value, of the consideration exceeds £1,000.

** Delete second sentence if certificate is given by transferor I/We* confirm that I/we * have been duly authorised by the transferor to sign this certificate and that the facts of the transaction are within my/our * knowledge. **

Signature(s)	*Description: ("Transferor", "Solicitor", etc.)
Date	

CERTIFICATE 2: FORM OF CERTIFICATE REQUIRED WHERE TRANSFER IS OTHERWISE EXEMPT OR THE CONSIDERATION GIVEN IS NOT CHARGEABLE CONSIDERATION

Please delete as I/We certify that this instrument is otherwise exempt from *ad valorem* stamp duty without a claim for relief being made or that no chargeable consideration is given for the transfer for the purposes of stamp duty.

appropriate

** I/We* confirm that I/we* have been duly authorised by the transferor to sign this certificate and that the facts of the transaction are within my/our* knowledge.**

Delete second sentence if certificate is given by transferor

Signature(s)

*Description: ("Transferor", "Solicitor", etc.)

Date

NOTES

(1) If one of the above certificates has been completed, or if the consideration for the transfer is nil (in which case you must write "nil" in the consideration box on the front of the form), this transfer does not need to be submitted to the Stamp Office but should be sent directly to the Company or its Registrars.

(2) If neither of the above certificates has been completed, and the consideration for the transfer is not nil, this transfer must be submitted to the Stamp Office and duly stamped.

EXECUTION PAGES

EXECUTED and DELIVERED as a DEED)

for and on behalf of)

LAGAN MANAGEMENT LIMITED (NI612954))

)

[Redacted Signature]

Director

in the presence of two witnesses:

[Redacted Signature]

Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Carson McDowell LLP
Murray House
Murray Street
Belfast BT1 6DN

EXECUTED and DELIVERED as a DEED)

for and on behalf of)

LAGAN HOMES (N.I.) LTD (NI620390))

)



Director

in the presence of two witnesses:



Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Address

Carson McDowell LLP
Murray House
Murray Street
Belfast BT1 6DN

EXECUTED and DELIVERED as a DEED)

for and on behalf of)

EASTONVILLE LIMITED (NI619276))

)



Director

in the presence of two witnesses:

Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Address

Carson McDowell LLP
Murray House
Murray Street
Belfast BT1 6DN

EXECUTED and DELIVERED as a DEED)

for and on behalf of)

LAGAN HOMES (LISBURN) LTD (NI627960))

)



Director

in the presence of two witnesses:



Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Address

Carson McDowell LLP
Murray House
Murray Street
 Belfast BT1 6DN

EXECUTED and DELIVERED as a DEED)
for and on behalf of)
LAGAN HOMES (ARDNAVALLEY) LTD)
(NI622337))
)



Director

in the presence of two witnesses:



Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Carson McDowell LLP
Murray House
Murray Street
Belfast BT1 6DN

EXECUTED and DELIVERED as a DEED)

for and on behalf of)

LAGAN HOMES (MAGHERAHINCH) LTD)

(NI619007))

)

[Redacted Signature]

Director

in the presence of two witnesses:

[Redacted Signature]

Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Address

Carson McDowell LLP
Murray House
Murray Street
Belfast BT1 6DN

EXECUTED and DELIVERED as a DEED)

for and on behalf of)

LAGAN HOMES (WOODBROOK) LTD)

(NI638228))

)



Director

in the presence of two witnesses:



Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Address

Carson McDowell LLP
Murray House
Murray Street
Belfast BT1 6DN

EXECUTED and DELIVERED as a DEED)

for and on behalf of)

LAGAN HOMES NEWTOWNARDS LTD)

(NI620735))

)

[Redacted Signature]

Director

in the presence of two witnesses:

[Redacted Signature]

Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Address

Carson McDowell LLP
Murray House
Murray Street
Belfast BT1 6DN

EXECUTED and DELIVERED as a DEED

)

for and on behalf of

)

LAGAN HOMES (BLACKWOOD) LTD

)

(NI604027)

)

)

[Redacted Signature]

Director

in the presence of two witnesses:

[Redacted Signature]

Witness

Name of Witness (print)

Michael Kelly

Address

Witness

Name of Witness (print)

Address


Carson McDowell LLP
Murray House
Murray Street
Belfast BT1 6DN

EXECUTED on behalf)
of NORTHERN BANK LIMITED by its)
duly authorised Attorney)

[Redacted Signature]

Authorised Attorney

in the presence of two witnesses:

[Redacted Signature]

Witness

Name of Witness (print)

MAURICE STEWART

Address

42-46 Fountain St
Belfast

Witness

Name of Witness (print)

Address