

In accordance with Sections 859A and 859J of the Companies Act 2006.

MR01

Particulars of a charge



Companies House



Go online to file this information
www.gov.uk/companieshouse

A fee is be payable with this form
Please see 'How to pay' on the last page.

What this form is for
You may use this form to register a charge created or evidenced by an instrument.

What this form is NOT for
You may not use this form to register a charge where there is no instrument. Use form MR08.

For further information, please refer to our guidance at:
www.gov.uk/companieshouse

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

You **must** enclose a certified copy of the instrument with this form, scanned and placed on the public record. **Do not send the original**



A8FTV9QY
A26 11/10/2019 #100
COMPANIES HOUSE

FRIDAY

1 Company details

Company number	0	5	1	8	8	9	7	1
Company name in full	COVENTRY AND WARWICKSHIRE REINVESTMENT TRUST LIMITED							

For official use

Filing in this form
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date: ^d3 ^d0 ^m0 ^m9 ^y2 ^y0 ^y1 ^y9

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge.

Name	THE COUNCIL OF THE CITY OF COVENTRY
Name	
Name	
Name	

If there are more than four names, please supply any four of these names then tick the statement below.

I confirm that there are more than four persons, security agents or trustees entitled to the charge.

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4	Brief description	
	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". Please limit the description to the available space.
Brief description		

5	Other charge or fixed security	
	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

6	Floating charge	
	Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> Yes	

7	Negative Pledge	
	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

8	Trustee statement ¹	
	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. <input type="checkbox"/>	¹ This statement may be filed after the registration of the charge (use form MR06).

9	Signature	
	Please sign the form here.	
Signature	Signature X  X	
	This form must be signed by a person with an interest in the charge.	

MRO1

Particulars of a charge

 Presenter information	
You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.	
Contact name	OLUREMI AREMU
Company name	THE COUNCIL OF THE CITY OF COVENTRY
Address	THE COUNCIL HOUSE, EARL STREET
Post town	COVENTRY
County/Region	WARWICKSHIRE
Postcode	C V 1 5 R R
Country	UNITED KINGDOM
DX	
Telephone	02476972070

 Certificate
We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

 Checklist
We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:
<input type="checkbox"/> The company name and number match the information held on the public Register.
<input type="checkbox"/> You have included a certified copy of the instrument with this form.
<input type="checkbox"/> You have entered the date on which the charge was created.
<input type="checkbox"/> You have shown the names of persons entitled to the charge.
<input type="checkbox"/> You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
<input type="checkbox"/> You have given a description in Section 4, if appropriate.
<input type="checkbox"/> You have signed the form.
<input type="checkbox"/> You have enclosed the correct fee.
<input type="checkbox"/> Please do not send the original instrument; it must be a certified copy.

 Important information
Please note that all information on this form will appear on the public record.

 How to pay
A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.
Make cheques or postal orders payable to 'Companies House.'

 Where to send
You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:
For companies registered in England and Wales: The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ. DX 33050 Cardiff.
For companies registered in Scotland: The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF. DX ED235 Edinburgh 1 or LP - 4 Edinburgh 2 (Legal Post).
For companies registered in Northern Ireland: The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG. DX 481 N.R. Belfast 1.

 Further information
For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



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CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5188971

Charge code: 0518 8971 0010

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th September 2019 and created by COVENTRY AND WARWICKSHIRE REINVESTMENT TRUST LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th October 2019.

Given at Companies House, Cardiff on 17th October 2019



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 30TH SEPTEMBER 2019

THE COUNCIL OF THE CITY OF COVENTRY

and

COVENTRY AND WARWICKSHIRE REINVESTMENT TRUST LIMITED

DEBENTURE

I certify that save for materials 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

Signed: 

Position: CITY SOLICITOR.

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THIS DEED is dated **30TH SEPTEMBER** 2019

PARTIES

- (1) **THE COUNCIL OF THE CITY OF COVENTRY** of The Council House Earl Street Coventry CV1 5RR (**Lender**)
- (2) **COVENTRY AND WARWICKSHIRE REINVESTMENT TRUST LIMITED** a private company limited by guarantee without share capital, company number 05188971 and with registered office at Enterprise Centre, Coventry University Technology Park, Puma Way, Coventry, CV1 2TX (**Borrower**)

BACKGROUND

- (A) The Lender has agreed, pursuant to the CCC Loan Agreement (that has/have been entered into as at the date of this deed) to provide the Borrower with loan facilities on a secured basis.
- (B) Under this deed, the Borrower provides security to the Lender for the loan facilities made available (and that may be made available) under the CCC Loan Agreement.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this deed:

Administrator

means an administrator appointed to manage the affairs, business and property of the Borrower pursuant to clause 8.9 (Appointment of an Administrator);

Book Debts

means all present and future book and other debts, and monetary claims due or owing to the Borrower including without limitation all debts and other liabilities arising out of or in connection with any loans advanced by 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;

Business Day

means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

CCC Loan Agreement

means a two million pound loan entered into between the Borrower and Coventry City Council on or around the date hereof for a programme of financial support for businesses based in Coventry together with any other loan agreements as may be entered into between the Borrower and the Lender from time to time on or after the date of this deed, all as secured by this deed.

Deeds of Assignment

means both the Lender Deed of Assignment and the WCC Deed of Assignment;

Delegate

means any person appointed by the Lender or any Receiver pursuant to clause 13 (Delegation) and any person appointed as attorney of the Lender, Receiver or Delegate;

Environment

means 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;

Equipment

means 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 expression in the relevant CCC Loan Agreement;

Financial Collateral

has the meaning given to that expression in the Financial Collateral Regulations;

Financial Collateral Regulations

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

Insurance Policy

means 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 insurances relating to any Property or Equipment);

Intellectual Property

means the Borrower's present and future patents, utility models, rights to inventions, copyright and [neighbouring and] related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, 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;

Intercreditor Deed

means the intercreditor deed entered into between the Borrower, Warwickshire County Council and the Lender on or around the same date as this Agreement

Investments

means all present and future certificated stocks, shares, loan capital, securities, debentures with customers, bonds and investments (whether or not marketable) from time to time being owned (at law or in equity) by the Borrower, including any:

- a) dividend, interest or other distribution paid or payable in relation to any of the Investments; and
- b) right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise;

Lender Deed of Assignment

means any deed of assignment between the Borrower and the Lender in relation to Book Debts that relate to funds from the CCC Loan Agreement;

Loan Agreement

means the CCC Loan Agreement and the WCC Loan Agreement for the provision of the loan facilities (from the respective lender);

LPA 1925

means Law of Property Act 1925;

Permitted Security

means the WCC Debenture and the Deeds of Assignment;

Properties

means all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, in each case now or in the future (and from time to time) owned by the Borrower, or in which the Borrower holds an interest (and **Property** shall be construed accordingly);

Receiver

means a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Lender under clause 11 (Receiver);

Rent

means all amounts payable to or for the benefit of the Borrower by way of rent, licence fee, service charge, dilapidations, ground rent and rent charge in respect of any part of any Property and other monies payable to or for the benefit of the Borrower in respect of occupation or usage of any part of any Property, including (without limitation) for the display of advertisements on licence or otherwise;

Schedule

means a schedule (if any) to this deed;

Secured Assets

means 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

means all present and future monies, 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, under or in connection with each CCC Loan Agreement or this deed (including, without limitation, those arising under clause 25), together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities;

Security Financial Collateral Arrangement

has the meaning given to that expression in the Financial Collateral Regulations;

Security

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

Security Period

means the period 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;

Coventry Duplex Fund Account

Means the following bank account held by the Borrower:

Account Name: Coventry Duplex Fund Account

Account Number: [REDACTED]

Bank: [REDACTED]

Sort Code: [REDACTED]

WCC Debenture

means the debenture between the Borrower and Warwickshire County Council (and in relation to the WCC Loan Agreement) on terms equivalent to this deed;

WCC Deed of Assignment

means any deed of assignment between the Borrower and Warwickshire County Council in relation to book debts that relate to funds from the WCC Loan Agreement;

WCC Loan Agreement

means a two million pound loan entered into between the Borrower and Warwickshire County Council on or around the date hereof for a programme of financial support for businesses based in Warwickshire together with any other loan agreements as may be entered into between the Borrower and Warwickshire County Council from time to time on or after the date of this deed, all as secured by the WCC Debenture.

1.2 Interpretation

In this deed:

1.2.1 clause, Schedule and any paragraph headings shall not affect the interpretation of this deed;

- 1.2.2 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);
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 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 a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to **writing** or **written** includes email but not fax;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to **this deed** (or any provision of it) or to 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 varied, amended or supplemented (in each case, other than in breach of the provisions of this deed) from time to time;

- 1.2.11 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and a reference to a paragraph is to a paragraph of the relevant Schedule;
- 1.2.12 any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an **amendment** includes a novation, re-enactment, *supplement or variation (and **amend** and **amended** shall be construed accordingly)*;
- 1.2.14 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.16 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- 1.2.17 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- 1.2.18 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.

1.3 **Clawback**

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.

1.4 Nature of security over real property

A reference in this deed to a charge or mortgage of or over any Property includes:

1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of that Property at any time;

1.4.2 the proceeds of the sale of any part of that Property and any other monies paid or payable in respect of or in connection with that Property;

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 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 Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of each CCC Loan Agreement and of any side letters between any parties in relation to the CCC Loan Agreement are incorporated into this deed.

1.6 Perpetuity period

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*).

1.7 Schedules

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.

1.8 Nature of security over investments

A reference in this deed to any share, stock, debenture or other security or investment includes:

1.8.1 any dividend, interest or other distribution paid or payable in respect of that share, stock, debenture or other security or investment;

1.8.2 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.

2. COVENANT TO PAY

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

3. GRANT OF SECURITY

3.1 Legal mortgage

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first legal mortgage, each Property.

3.2 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender by way of first fixed charge:

- 3.2.1 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);
- 3.2.2 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property;
- 3.2.3 all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Borrower's business or the use of any Secured Asset, and all rights in connection with them;
- 3.2.4 all its present and future goodwill;
- 3.2.5 all its uncalled capital;
- 3.2.6 all the Equipment;
- 3.2.7 all the Intellectual Property;
- 3.2.8 all the Book Debts;
- 3.2.9 all the Investments;
- 3.2.10 all monies from time to time standing to the credit of the Coventry Duplex Fund Account and any of its other accounts with any bank, financial institution or other person, together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
- 3.2.11 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, the Rent and the benefit of any guarantee or security in respect of the Rent; and
- 3.2.12 the benefit of all other contracts, guarantees, appointments and warranties relating to any 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 Property or otherwise relating to any 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 the documents referred to in the Clause 3.2.12, all remedies provided for in any such documents or available at law or in equity in relation to any of those documents, the right to compel performance of any of those documents and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of those documents).

3.3 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower at any time not otherwise effectively mortgaged, charged or assigned pursuant to clause 3.1 (Legal mortgage) to clause 3.2 (Fixed Charges) inclusive.

3.4 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.3.

3.5 Automatic crystallisation of floating charge

The floating charge created by clause 3.3 (Floating charge) shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

3.5.1 the Borrower:

- (a) creates, or attempts to create, without the prior written consent of the Lender, any 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 the relevant Loan Agreement); or

(b) 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);

3.5.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets;
or

3.5.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower.

Crystallisation of floating charge by notice

The Lender may, in its sole discretion, 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 if:

3.5.4 an Event of Default occurs and is continuing; or

3.5.5 the Lender considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

3.6 Not used

3.7 Assets acquired after any floating charge has crystallised

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this deed that, but for that 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.

3.8 Registration of legal mortgage at the Land Registry

The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction (or the form required by the Land Registry in this case) to be registered against its title to the Property as and when required by the Lender¹:

"Save in relation to Warwickshire County Council, no disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*insert date*] in favour of The Council of the City of Coventry referred to in the charges register."

3.9 Further advances

Subject to the terms of the relevant CCC Loan Agreement, the Lender covenants with the Borrower that it shall perform its obligations to make advances under and in accordance with the terms and conditions of the relevant CCC Loan Agreement (including any obligation to make available further advances thereunder).

3.10 Cautions against first registration and notices

Whether or not title to the 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 the 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 (but save in relation to Warwickshire County Council), 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 withdrawn or cancelled.

4. LIABILITY OF THE BORROWER

¹ Please note the obligation to make an application to the Land registry for a restriction.

4.1 Liability not discharged

The Borrower's liability 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;
- 4.1.2 the Lender *renewing, determining, varying or increasing any loan 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 that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

4.2 Immediate recourse

The Borrower waives any right it may have to require 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

The Borrower makes the representations and warranties set out in this clause 5 to the Lender.

5.1 Ownership of Secured Assets

- 5.1.1 The Borrower is the sole legal and beneficial owner of, and has good, valid and marketable title to, the Secured Assets.
- 5.1.2 The Secured Assets are free from any Security save in relation to the Permitted Security and the Security created by this deed.

5.2 Times for making representations and warranties

The representation and warranty set out in clause 5.1 (*Ownership of Secured Assets*) is made by the Borrower on the date of this deed.

6. GENERAL COVENANTS

6.1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Lender:

6.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this deed or any Permitted Security;

6.1.2 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, Secured Assets that are only subject to an uncrystallised floating charge); or

6.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

6.2 Preservation of Secured Assets

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.

6.3 Information

The Borrower shall:

6.3.1 give the Lender such information concerning the location, condition, use and operation of the Secured Assets as the Lender may require;

6.3.2 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

6.3.3 promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with any Secured Asset (or part thereof) 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.

7. PROPERTY COVENANTS

7.1 Inspection

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

7.2 Property information

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.

7.3 Borrower's waiver of set-off

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this deed).

7A BOOK DEBTS

7A.1 The Borrower shall not (except with the prior written consent of the Lender) release, exchange, compound, set off, grant time or indulgence in respect of all or any of the Book Debts.

8. POWERS OF THE LENDER

8.1 Power to remedy

8.1.1 The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this deed.

8.1.2 The Borrower irrevocably authorises the Lender and its agents to do all things that are necessary or desirable for that purpose.

8.1.3 Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained 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.

8.2 Exercise of rights

The rights of the Lender under clause 8.1 are without prejudice to any other rights of the Lender under this deed. The exercise of any rights of the Lender under this deed shall not make the Lender liable to account as a mortgagee in possession.

8.3 Power to dispose of chattels

8.3.1 At any time after the security constituted by this deed has become enforceable, the Lender or any Receiver may, as agent for the Borrower, dispose of any chattels or produce found on any Property.

8.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under clause 8.3.1, the Borrower shall indemnify the Lender and any Receiver against any liability arising from any disposal made under clause 8.3.1.

8.4 Lender has Receiver's powers

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 of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

8.5 Conversion of currency

8.5.1 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 it under this deed (including the proceeds of any previous conversion under this clause 8.5) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.

8.5.2 Any such conversion shall be effected at the then prevailing spot selling rate of exchange (of a bank nominated at the time by the Lender) for such other currency against the existing currency.

8.5.3 Each reference in this clause 8.5 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.

8.6 New accounts

8.6.1 If the Lender receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

8.6.2 If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, under clause 8.6.1, then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender 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, as from the time of receipt or deemed receipt of the relevant notice by the Lender.

8.7 Lender's set-off rights

If the Lender has more than one account for the Borrower, the Lender may at any time after:

8.7.1 the security constituted by this deed has become enforceable; or

8.7.2 the Lender has received, or is deemed to have received, notice of any subsequent Security or other interest affecting all or any part of the Secured Assets,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account that may be in debit. After making any such transfer, the Lender shall notify the Borrower of that transfer.

8.8 Indulgence

The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is 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.

8.9 Appointment of an Administrator

8.9.1 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.

8.9.2 Any appointment under this clause 8.9 shall:

- (a) be in writing signed by a duly authorised signatory of the Lender;
and
- (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.

8.9.3 The Lender may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 8.9 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

8.10 **Further advances**

The Lender covenants with the Borrower that it shall perform its obligations to make advances under and in accordance with the terms and conditions of the CCC Loan Agreement (including any obligation to make available further advances thereunder).

9. **WHEN SECURITY BECOMES ENFORCEABLE**

9.1 ***Security becomes enforceable on Event of Default***

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

9.2 **Discretion**

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.

10. ENFORCEMENT OF SECURITY

10.1 Enforcement powers

10.1.1 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.

10.1.2 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 9.1.

10.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

10.2 Extension of statutory powers of leasing

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:

10.2.1 grant a lease or agreement for lease;

10.2.2 accept surrenders of leases; or

10.2.3 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.

10.3 Access on enforcement

10.3.1 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 CCC Loan Agreement, 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.

10.3.2 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 10.3.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

10.4 **Prior Security**

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:

10.4.1 redeem any prior Security;

10.4.2 procure the transfer of that Security to itself; and

10.4.3 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).

10.4.4

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.

10.5 Protection of third parties

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

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

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

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

10.6 Privileges

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

10.7 No liability as mortgagee in possession

Neither the Lender nor any Receiver, Delegate or any Administrator 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 of any nature for which a mortgagee in possession might be liable.

10.8 Conclusive discharge to purchasers

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, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it thinks fit.

10.9 Right of appropriation

10.9.1 To the extent that:

- (a) the Secured Assets constitute Financial Collateral; and
- (b) 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.

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

- a. 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
- b. in the case of Investments, the price of those Secured Assets 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).

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

11. RECEIVER

11.1 Appointment

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.

11.2 Removal

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.

11.3 Remuneration

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.

11.4 Power of appointment additional to statutory powers

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.

11.5 Power of appointment exercisable despite prior appointments

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.

11.6 Agent of the Borrower

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.

12. POWERS OF RECEIVER

12.1 General

12.1.1 Any Receiver appointed by the Lender under this deed shall, in addition to the powers conferred on him by statute (but unless the law provides otherwise), have the rights, powers and discretions set out in clause 12.2 to clause 12.23.

12.1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.

12.1.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.

12.1.4 Any exercise by a Receiver of any of the powers given by clause 12 may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in clause 12.16) or himself.

12.2 Repair and develop Properties

A Receiver may undertake or complete any works of repair, building or development on the 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.

12.3 Surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Property and may grant any other interest or right over any Property on any terms, and subject to any conditions, that he thinks fit.

12.4 Employ personnel and advisors

A Receiver may provide services and employ, or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

12.5 Make VAT elections

A Receiver may make, exercise or revoke any value added tax option to tax as he thinks fit.

12.6 Remuneration

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

12.7 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which he is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

12.8 Manage or reconstruct the Borrower's business

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.

12.9 Dispose of Secured Assets

A Receiver may grant options and licences over all or any part of any Property, sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which he 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. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

12.10 Sever fixtures and fittings

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

12.11 Sell Book Debts

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

12.12 Valid receipts

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

12.13 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person that he may think expedient.

12.14 Bring proceedings

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

12.15 Improve the Equipment

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

12.16 Make calls on Borrower members

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

12.17 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 15, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this deed.

12.18 Powers under the LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule I to the Insolvency Act 1986.

12.19 Borrow

A Receiver may, for any of the purposes authorised by this clause 12, raise money by borrowing from (and with the agreement of) the Lender (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which he is appointed on any terms that he thinks fit (including, if the Lender consents, terms under which that security ranks in priority to this deed).

12.20 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the

absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

12.21 Delegation

A Receiver may delegate his powers in accordance with this deed.

12.22 Absolute beneficial owner

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

12.23 Incidental powers

A Receiver may do any other acts and things:

12.23.1 that he may consider desirable or necessary for realising any of the Secured Assets;

12.23.2 that he may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law;
or

12.23.3 that he lawfully may or can do as agent for the Borrower.

13. DELEGATION

13.1 Delegation

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 17.1 (Appointment of attorneys)).

13.2 Terms

The Lender and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

13.3 Liability

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.

14. APPLICATION OF PROCEEDS

14.1 Order of application of proceeds

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:

14.1.1 in accordance with the Intercreditor Deed;

14.1.2 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;

14.1.3 in or towards payment of the Secured Liabilities in any order and manner that the Lender determines; and

14.1.4 in payment of the surplus (if any) to the Borrower or other person entitled to it.

14.2 Appropriation

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.

14.3 Suspense account

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):

14.3.1 may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realised account;

14.3.2 shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower; and

14.3.3 may be held in that account for so long as the Lender, Receiver or Delegate thinks fit.

15. COSTS AND INDEMNITY

15.1 Costs

The Borrower shall, within five (5) Business Days of demand, pay to, or reimburse, the Lender and any Receiver, 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;

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,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the rate and in the manner specified in the relevant CCC Loan Agreement.

15.2 Indemnity

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.

Any past or present employee or agent may enforce the terms of this clause 15.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

16. FURTHER ASSURANCE

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 to 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 Appointment of attorneys

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 Ratification of acts of attorneys

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

Subject to clause 25.3 (Discharge conditional), on 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:

18.1.1 release the Secured Assets from the security constituted by this deed;
and

18.1.2 reassign the Secured Assets to the Borrower.

19. ASSIGNMENT AND TRANSFER

19.1 Assignment by Lender

19.1.1 At any time, without the consent of the Borrower, the Lender may assign or transfer any or all of its rights and obligations under this deed.

19.1.2 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.

19.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

20. SET-OFF

20.1 Lender's right of set-off

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 20 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 Amendments

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 Waivers and consents

21.2.1 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.

21.2.2 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 remedy 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.

21.3 Rights and remedies

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. SEVERANCE

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.

23. COUNTERPARTS

This deed may be executed 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. THIRD PARTY RIGHTS

24.1 Except as expressly provided elsewhere 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.

24.2 The rights of the parties to rescind or agree any amendment or waiver under this deed are not subject to the consent of any other person.

25. FURTHER PROVISIONS

25.1 Independent security

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.

25.2 Continuing security

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, until the end of the Security Period.

25.3 Discharge conditional

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

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

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

25.4 Certificates

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower under this deed and/or the relevant CCC Loan

Agreement shall be, in the absence of any manifest error, conclusive evidence of the amount due.

25.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.

25.6 Small company moratorium

25.6.1 Notwithstanding anything to the contrary in this deed, neither the obtaining of a moratorium by the Borrower under schedule A1 to the Insolvency Act 1986 nor the doing of anything by the Borrower with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:

25.6.1.1 an event under this deed which causes any floating charge created by this deed to crystallise;

25.6.1.2 an event under this deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by the Borrower; or

25.6.1.3 a ground under this deed for the appointment of a Receiver.

26. NOTICES

26.1 Delivery

Any notice or other communication given to a party under or in connection with this deed (and contemplated by it) shall be:

26.1.1 in writing;

26.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by electronic mail; and

26.1.3 sent to:

(a) the Borrower at: Enterprise Centre, Coventry University
Technology Park, Puma Way, Coventry, CV1 2TX

E-mail: [REDACTED]

Attention: Leah Blocksidge

(b) the Lender at:

The Council House, Earl Street Coventry CV1 5RR

E-mail: [REDACTED]

Attention: Barry Hastie, Director of Finance and Corporate Services

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

26.2 Receipt by Borrower

Any notice or other communication that the Lender gives to the Borrower shall be deemed to have been received:

26.2.1 if delivered by hand, at the time it is left at the relevant address;

26.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and

26.2.3 if sent by electronic mail, upon receipt by the party to which it is given.

A notice or other communication given as described in clause 26.2.1, 26.2.2 or clause 26.2.3 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

26.3 Receipt by Lender

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

26.4 Service of proceedings

This clause 26 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

27. GOVERNING LAW AND JURISDICTION

27.1 Governing law

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

27.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this deed or its subject matter or formation (including any related non-contractual disputes or claims). 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.

27.3 Other service

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 27.2 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.

Executed as a Deed for and on behalf of
**Coventry and Warwickshire Reinvestment
Trust Limited** acting by a statutory director:



Statutory Director

in the presence of:


.....

Witness

Witness name: JACQUELINE MAYA

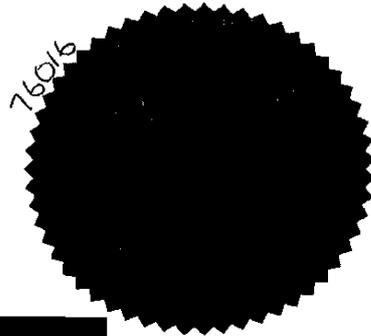
Witness occupation: HEAD OF BUSINESS OPERATIONS

Witness address: ENTERPRISE CENTRE

COVENTRY UNIVERSITY, TECHNO PARK

~~UNIVERSITY~~ PUMA WAY, CV1 2TX

The Common Seal of the Council of the City of
Coventry was hereunto affixed in the presence of




.....

Authorised signatory