



Registration of a Charge

Company name: **THE CHAPAR LIMITED**

Company number: **07893450**



X7HB8ID6

Received for Electronic Filing: **25/10/2018**

Details of Charge

Date of creation: **17/10/2018**

Charge code: **0789 3450 0005**

Persons entitled: **DAVID NICHOLAS WRIGHT**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **TIRAN SANDHU**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7893450

Charge code: 0789 3450 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 17th October 2018 and created by THE CHAPAR LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th October 2018 .

Given at Companies House, Cardiff on 29th October 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

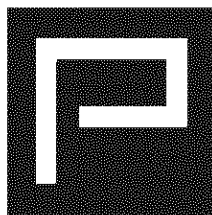
17 OCTOBER

2018

(1) THE CHAPAR LIMITED

(2) DAVID NICHOLAS WRIGHT

DEBENTURE



PENNINGTONS
MANCHES

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THIS DEED

DATED 17th OCTOBER 2018

BETWEEN:

- (1) **The Chapar Limited** (company number 07893450) whose registered office is at 55 Maid Marian Way, 4th Floor, Nottingham NG1 6GE (**Company**); and
- (2) **David Nicolas Wright** of 49 Lansdowne Road, London W11 2LG (**Lender**).

INTRODUCTION

- (A) The Company has agreed, pursuant to the Loan Note Instrument, to issue certain Notes on or around the date of this deed.
- (B) Under this deed, the Company provides security to the Lender as security for the obligations of the Company to the Noteholders under the Loan Note Instruments.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the First Loan Note Instrument and / or Second Loan Note Instrument shall, unless otherwise defined in this deed, have the same meaning in this deed.

In addition, the following definitions apply in this deed:

Administrator means an administrator appointed to manage the affairs, business and property of the Company pursuant to clause 10.8;

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

Delegate means any person appointed by the Lender or any Receiver pursuant to clause 15 and any person appointed as attorney of the Lender, Receiver or Delegate;

Environment means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water);

Environmental Law means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste;

Equipment means all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Company, including any part of it and all spare parts, replacements, modifications and additions;

Financial Collateral shall have 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*);

Notes means the £900,000 Secured Convertible Loan Notes 2018 created pursuant to the Loan Note Instrument;

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

Intellectual Property means the Company's present and future patents, trade marks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights;

Investments means all present and future certificated stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Company, 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;

Loan Note Instrument means the secured loan note instrument constituting the Notes dated on or about the date of this deed between the Company and the Lender;

LPA 1925 means Law of Property Act 1925;

Properties means all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Company, or in which the Company holds an interest (including, but not limited to, the properties specified in Schedule 1), and **Property** means any of them;

Receiver means a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Lender under clause 13;

Relevant Agreement means each agreement specified in Schedule 2;

Secured Assets means all the assets, property and undertaking for the time being 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 Company 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 the Loan Note Instrument or this deed, together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities;

Security Financial Collateral Arrangement means shall have 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; and

Security Period means the period starting on the date of this deed and ending on the date on which the Lender is satisfied, and has notified the Company that it is so 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.

1.2 Interpretation

In this deed:

- (a) the "**Lender**" or any other "**Noteholder**" or a "**Receiver**" includes any one or more of its assigns, transferees and successors in title; and
- (b) clause, Schedule and paragraph headings shall not affect the interpretation of this deed;
- (c) 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);
- (d) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;

- (e) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (f) 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;
- (g) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (h) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (i) a reference to **writing** or **written** includes fax but not email;
- (j) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (k) 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 amended (in each case, other than in breach of the provisions of this deed) from time to time;
- (l) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed;
- (m) 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;
- (n) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- (o) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (p) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (q) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived;
- (r) 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
- (s) 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 an amount paid by the Company in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Company 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:

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) that are situated on or form part of that Property at any time;
- (b) 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;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Company in respect of that Property, and any monies paid or payable in respect of those covenants; and
- (d) 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 the Loan Note Instruments 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.

2. COVENANT TO PAY

The Company 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 Company with full title guarantee charges to the Lender, by way of first legal mortgage, each Property specified in Schedule 1.

3.2 Fixed charges

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

- 3.2.1 all Properties acquired by the Company in the future;
- 3.2.2 all present and future interests of the Company not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold or leasehold property;
- 3.2.3 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property;
- 3.2.4 all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Company's business or the use of any Secured Asset, and all rights in connection with them;
- 3.2.5 all its present and future goodwill;
- 3.2.6 all its uncalled capital;
- 3.2.7 all the Equipment;
- 3.2.8 all the Intellectual Property;
- 3.2.9 all the Book Debts;
- 3.2.10 all the Investments;
- 3.2.11 all monies from time to time standing to the credit of its 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);
- 3.2.12 all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3; and
- 3.2.13 all its rights in respect of each Relevant Agreement and all other agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 3.3.

3.3 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- 3.3.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy; and
- 3.3.2 the benefit of each Relevant Agreement and the benefit of all other agreements, instruments and rights relating to the Secured Assets,

provided that in all cases, prior to an Event of Default which is continuing, the exercise of all rights and remedies in connection with any of the above, the exercise of any discretions or judgments, the giving of any waivers or consents and any entitlement to all proceeds and claims arising therefrom shall be exercised at the sole discretion of the Company and the Company shall be entitled to deal with the counterparties to any of the above.

3.4 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to the Lender, by way of first floating charge, all the undertaking, property, assets and rights of the Company at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1 to clause 3.3 inclusive.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

3.6 Automatic crystallisation of floating charge

The floating charge created by clause 3.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

3.6.1 the Company:

- (a) creates, or attempts to create, without the prior written consent of the Lender, a 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 Loan Note Instruments); 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);

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

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

3.7 Crystallisation of floating charge by notice

The Lender may, in its sole discretion, by written notice to the Company, 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:

3.7.1 an Event of Default occurs and is continuing; or

- 3.7.2 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.

3.8 Assets acquired after any floating charge has crystallised

Any asset acquired by the Company 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 Company in writing) be charged to the Lender by way of first fixed charge.

4. LIABILITY OF THE COMPANY

4.1 Liability not discharged

The Company'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 facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 4.1.3 any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Company.

4.2 Immediate recourse

The Company 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 Company.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and warranties

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

5.2 Ownership of Secured Assets

The Company is the sole legal and beneficial owner of the Secured Assets.

5.3 No Security

The Secured Assets are free from any Security other than the Security created by this deed, save for:

- 5.3.1 a charge created on 4 November 2016 in favour of Creative Trade Finance Limited and delivered to Companies House on 7 November 2016,

5.3.2 a charge created on 8 December in favour of Creative Trade Finance Limited and delivered to Companies House on 9 December 2016; and

5.3.3 a charge created on 2 June 2017 in favour of the trustees of the Miromutu Trustees and delivered to at Companies House on 2 June 2017.

5.4 No adverse claims

The Company has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

5.5 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

5.6 No overriding interests

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Property.

5.7 Avoidance of security

No Security expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Company or otherwise.

5.8 No prohibitions or breaches

There is no prohibition on assignment in any Insurance Policy or Relevant Agreement and the entry into this deed by the Company does not, and will not, constitute a breach of any Insurance Policy, Relevant Agreement or any other agreement or instrument binding on the Company or its assets.

5.9 Enforceable security

This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Company, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

5.10 Times for making representations and warranties

The representations and warranties set out in clause 5.2 to clause 5.9 are made by the Company on the date of this deed.

6. GENERAL COVENANTS

6.1 Negative pledge and disposal restrictions

The Company 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, the Charged Property other than the Security created by this deed or any Permitted Security;

- 6.1.2 sell, transfer or otherwise dispose of in any manner, all or any part of, or any interest in, the Charged Property; or
- 6.1.3 create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

6.2 Preservation of Secured Assets

The Company 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 Company's waiver of set-off

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

6.4 Compliance with laws

The Company shall comply in all material respects with all relevant laws to which it may be subject, if failure to do so would materially impair its ability to perform its obligations under the Loan Note Instruments.

6.5 Enforcement of rights

The Company shall use its best endeavours to:

- (a) procure the prompt observance and performance of the covenants and other obligations imposed on the Company's counterparties (including each counterparty in respect of a Relevant Agreement and each insurer in respect of an Insurance Policy); and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Lender may require from time to time.

6.6 Notice of misrepresentation and breaches

The Company shall, promptly on becoming aware of any of the same, notify the Lender in writing of:

- (a) any representation or warranty set out in clause 5 which is incorrect or misleading in any material respect when made or deemed to be repeated; and
- (b) any breach of any covenant set out in this deed.

6.7 Title documents

The Company shall, as so required by the Lender, deposit with the Lender and the Lender shall, for the duration of this deed be entitled to hold:

- (a) all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Company (and if these are not within the possession or control of the Company, the Company undertakes to obtain possession of all these deeds and documents of title);

- (b) all Insurance Policies and any other insurance policies relating to any of the Secured Assets that the Company is entitled to possess;
- (c) all deeds and documents of title (if any) relating to the Book Debts as the Lender may specify from time to time; and
- (d) copies of all the Relevant Agreements, certified to be true copies by either a director of the Company or by the Company's solicitors.

6.8 Insurance

6.8.1 The Company shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, procure so far as reasonably possible that the landlord insures and keeps insured) the Secured Assets against:

- (a) loss or damage by fire or terrorist acts;
- (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Company; and
- (c) any other risk, perils and contingencies as the Lender may reasonably require.

Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Lender, and must be for not less than the replacement value of the relevant Secured Assets.

6.8.2 The Company shall, if requested by the Lender, produce to the Lender each policy, certificate or cover note relating to the insurance required by clause 6.8.1 (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Company is entitled to obtain from the landlord under the terms of the relevant lease).

6.8.3 The Company shall, if requested by the Lender, procure that the Lender is named as co-insured with the Company on each insurance policy maintained by it or any person on its behalf in accordance with clause 6.8.1 and that the terms of each such insurance policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Lender.

6.9 Insurance premiums

The Company shall:

- 6.9.1 promptly pay all premiums in respect of each insurance policy maintained by it in accordance with clause 6.8.1 and do all other things necessary to keep that policy in full force and effect; and
- 6.9.2 (if the Lender so requires) produce to, or deposit with, the Lender the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy maintained by it in accordance with clause 6.8.1.

6.10 No invalidation of insurance

The Company shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy maintained by it in accordance with clause 6.8.1.

6.11 Proceeds of insurance policies

All monies received or receivable by the Company under any insurance policy maintained by it in accordance with clause 6.8.1 (including all monies received or receivable by it under any Insurance Policy) at any time (whether or not the security constituted by this deed has become enforceable) shall:

6.11.1 be held by the Company as trustee of the same for the benefit of the Lender (and the Company shall account for them to the Lender); and

6.11.2 at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

6.12 Notices to be given by the Company

The Company shall:

6.12.1 as so requested by the Lender from time to time:

- (a) give notice to each counterparty to a Relevant Agreement in the form set out in Part 1 of Schedule 3 and
- (b) use reasonable endeavours to procure that each counterparty promptly provides to the Lender an acknowledgement of the notice in the form set out in Part 2 of Schedule 3;

6.12.2 as so requested by the Lender from time to time:

- (a) give notice to each insurer under an Insurance Policy in the form set out in Part 1 of Schedule 4; and
- (b) use reasonable endeavours to procure that each insurer promptly provides to the Lender within five Business Days an acknowledgement of the notice in the form set out in Part 2 of Schedule 4; and

6.12.3 as so requested by the Lender from time to time:

- (a) give notice to each bank, financial institution or other person (other than the Lender) with whom the Company holds an account in the form set out in Part 1 of Schedule 5; and
- (b) use reasonable endeavours to procure that each such bank, financial institution or other person promptly provides to the Lender within five Business Days an acknowledgement of the notice in the form of Part 2 of Schedule 5.

6.13 Information

The Company shall:

- 6.13.1 give the Lender such information concerning the location, condition, use and operation of the Secured Assets as the Lender may reasonably require;
- 6.13.2 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
- 6.13.3 promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Company's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense.

6.14 Payment of outgoings

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

7. INVESTMENTS COVENANTS

7.1 Deposit of title documents

7.1.1 The Company shall:

- (a) at the request of the Lender, deliver to the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by the Company at that time; and
- (b) on the purchase or acquisition by it of Investments after the date of this deed, deposit with the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to those Investments.

7.1.2 At the same time as depositing documents with the Lender, or as the Lender may direct, in accordance with clause 6.8.1, the Company shall also deposit with the Lender, or as the Lender may direct:

- (a) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of the Company, but with the name of the transferee, the consideration and the date left blank; and
- (b) any other documents (in each case duly completed and executed by or on behalf of the Company) that the Lender may request to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that the Lender may, at any time and without notice to the Company, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

7.2 Nominations

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

- (a) does not exercise any rights in respect of any Investments without the prior written approval of the Lender; and
- (b) immediately on receipt by it, forward to the Lender all communications or other information received by it in respect of any Investments for which it has been so nominated.

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

7.3 Pre-emption rights and restrictions on transfer

The Company shall at the request of the Lender:

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

7.3.2 procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Investments in any manner that the Lender may require in order to permit the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this deed.

7.4 Dividends and voting rights before enforcement

7.4.1 Before the security constituted by this deed becomes enforceable, the Company may retain and apply for its own use all dividends, interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to the Lender or any of its nominees, the Lender will hold all those dividends, interest and other monies received by it for the Company and will pay them to the Company promptly on request.

7.4.2 Before the security constituted by this deed becomes enforceable, the Company may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Lender or any of its nominees, to direct in writing the exercise of those voting and other rights and powers provided that:

- (a) it shall not do so in any way that would breach any provision of the Loan Note Instruments or this deed or for any purpose inconsistent with the Loan Note Instrument or this deed; and
 - (b) the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Lender's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Lender's security under this deed.
- 7.4.3 The Company shall indemnify the Lender against any loss or liability incurred by the Lender (or its nominee) as a consequence of the Lender (or its nominee) acting in respect of the Investments at the direction of the Company.
- 7.4.4 The Lender shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to or conferred by any of the Investments that the Lender considers prejudicial to, or impairing the value of, the security created by this deed.
- 7.5 Dividends and voting rights after enforcement**

After the security constituted by this deed has become enforceable:

 - 7.5.1 all dividends and other distributions paid in respect of the Investments and received by the Company shall be held by the Company on trust for the Lender or, if received by the Lender, shall be retained by the Lender; and
 - 7.5.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Lender and the Company shall, and shall procure that its nominees shall, comply with any directions the Lender may give, in its absolute discretion, concerning the exercise of those rights and powers.
- 7.6 Calls on Investments**

Notwithstanding the security created by this deed, the Company shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. The Company acknowledges that the Lender shall not be under any liability in respect of any such calls, instalments or other payments.
- 7.7 No alteration of constitutional documents or rights attaching to Investments**

The Company shall not, without the prior written consent of the Lender, amend, or agree to the amendment of:

 - 7.7.1 the memorandum or articles of association, or any other constitutional documents, of any issuer of the Investments that is not a public company; or
 - 7.7.2 the rights or liabilities attaching to, or conferred by, all or any of the Investments.

7.8 Preservation of Investments

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

- 7.8.1 consolidate or subdivide any of the Investments, or re-organise, exchange, repay or reduce its share capital in any way;
- 7.8.2 issue any new shares or stock; or
- 7.8.3 refuse to register any transfer of any of the Investments that may be lodged with it for registration by, or on behalf of, the Lender or the Company in accordance with this deed.

7.9 Investments information

The Company shall, promptly following receipt, send to the Lender copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments.

8. RELEVANT AGREEMENTS COVENANTS

8.1 Relevant Agreements

- 8.1.1 The Borrower shall, unless the Lender agrees otherwise in writing, comply with the terms of any Relevant Agreement and any other document, agreement or arrangement comprising the Secured Assets (other than the Insurance Policies).

- 8.2 The Company shall not, unless the Lender agrees otherwise in writing:

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

any Relevant Agreement or any other document, agreement or arrangement comprising the Secured Assets (other than the Insurance Policies).

9. INTELLECTUAL PROPERTY COVENANTS

9.1 Preservation of rights

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

9.2 Registration of Intellectual Property

The Company shall use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Lender informed of all matters relating to each such registration.

9.3 Maintenance of Intellectual Property

The Company shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

10. POWERS OF THE LENDER

10.1 Power to remedy

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

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

10.1.3 Any monies expended by the Lender in remedying a breach by the Company of its obligations contained in this deed shall be reimbursed by the Company to the Lender on a full indemnity basis and shall carry interest in accordance with clause 17.1.

10.2 Exercise of rights

10.2.1 The rights of the Lender under clause 10.1 are without prejudice to any other rights of the Lender under this deed.

10.2.2 The exercise of any rights of the Lender under this deed shall not make the Lender liable to account as a mortgagee in possession.

10.3 Power to dispose of chattels

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

10.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under clause 10.3.1, the Company shall indemnify the Lender and any Receiver against any liability arising from any disposal made under clause 10.3.1.

10.4 Lender has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed 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.

10.5 Conversion of currency

- 10.5.1 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 10.5) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.
- 10.5.2 Any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- 10.5.3 Each reference in this clause 10.5 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.

10.6 New accounts

- 10.6.1 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 Company in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Company in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- 10.6.2 If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, under clause 10.6.1, then, unless the Lender gives express written notice to the contrary to the Company, all payments made by the Company to the Lender shall be treated as having been credited to a new account of the Company 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.

10.7 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 Company) 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 Company for the Secured Liabilities.

10.8 Appointment of an Administrator

- 10.8.1 The Lender may, without notice to the Company, appoint any one or more persons to be an Administrator of the Company pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.
- 10.8.2 Any appointment under this clause 10.8 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.

- 10.8.3 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 10.8 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

11. WHEN SECURITY BECOMES ENFORCEABLE

11.1 Security becomes enforceable on Event of Default

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

11.2 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.

12. ENFORCEMENT OF SECURITY

12.1 Enforcement powers

- 12.1.1 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.

- 12.1.2 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 11.1.

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

12.2 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 Company, to:

- (a) grant a lease or agreement to lease;
- (b) accept surrenders of leases; or
- (c) grant any option 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 Company, 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.

12.3 Access on enforcement

12.3.1 At any time after an Event of Default, the Company 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 Company for, or by any reason of, that entry.

12.3.2 At all times, the Company must use its best endeavours to allow the Lender or its Receiver access to any premises for the purpose of clause 12.3.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

12.4 Prior Security

12.4.1 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:

- (a) redeem that or any other prior Security;
- (b) procure the transfer of that Security to it; and
- (c) settle and pass any account of the holder of any prior Security.

12.4.2 The settlement and passing of any such account passed shall, in the absence of any manifest error, be conclusive and binding on the Company. All monies paid by the Lender to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Lender, be due from the Company to the Lender on current account and shall bear interest at the default rate of interest specified in the Loan Note Instruments and be secured as part of the Secured Liabilities.

12.5 Protection of third parties

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

- 12.5.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- 12.5.2 whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- 12.5.3 how any money paid to the Lender, any Receiver or any Delegate is to be applied.

12.6 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.

12.7 No liability as mortgagee in possession

Neither the Lender, any Receiver, any Delegate nor any Administrator shall be liable, by reason of entering into possession of a Security 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, neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.

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

12.9 Right of appropriation

12.9.1 To the extent that:

- (a) the Secured Assets constitute Financial Collateral; and
- (b) this deed and the obligations of the Company 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.

12.9.2 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 Company's accounts with any bank, financial institution or other person, together with all interest accrued but unposted, at the time the right of appropriation is exercised; and
- (b) in the case of Investments, the price of those Investments at the time the right of appropriation is exercised as listed on any recognised market index or determined by any other method that the Lender may select (including independent valuation).

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

13. RECEIVER

13.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Company, 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.

13.2 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.

13.3 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.

13.4 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.

13.5 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.

13.6 Agent of the Company

Any Receiver appointed by the Lender under this deed shall be the agent of the Company and the Company 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 Company goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.

14. POWERS OF RECEIVER

14.1 General

14.1.1 Any Receiver appointed by the Lender under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 14.2 to clause 14.23.

14.1.2 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.

- 14.1.3 Any exercise by a Receiver of any of the powers given by clause 14 may be on behalf of the Company, the directors of the Company (in the case of the power contained in clause 14.16) or himself.

14.2 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.

14.3 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.

14.4 Employ personnel and advisers

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 Company.

14.5 Make VAT elections

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

14.6 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.

14.7 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.

14.8 Manage or reconstruct the Company'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 Company.

14.9 Dispose of Secured Assets

A Receiver may 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.

14.10 Sever fixtures and fittings

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

14.11 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.

14.12 Valid receipts

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

14.13 Make settlements

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

14.14 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.

14.15 Improve the Equipment

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

14.16 Make calls on Company members

A Receiver may make calls conditionally or unconditionally on the members of the Company 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 Company on its directors in respect of calls authorised to be made by them.

14.17 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 17, 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 Company under this deed.

14.18 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 1 to the Insolvency Act 1986.

14.19 Borrow

A Receiver may, for any of the purposes authorised by this clause 14, raise money by borrowing from 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).

14.20 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 Company, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

14.21 Delegation

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

14.22 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.

14.23 Incidental powers

A Receiver may do any other acts and things that he:

- (a) may consider desirable or necessary for realising any of the Secured Assets;
- (b) 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
- (c) lawfully may or can do as agent for the Company.

15. DELEGATION

15.1 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 19.1).

15.2 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.

15.3 Liability

Neither the Lender nor any Receiver shall be in any way liable or responsible to the Company for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

16. APPLICATION OF PROCEEDS

16.1 Order of application of proceeds

All monies received by the Lender, a Receiver or a Delegate pursuant to this deed, after the security constituted by this deed has become enforceable, 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:

- (a) in or towards payment of or provision for all costs, 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;
- (b) in or towards payment of or provision for the Secured Liabilities in any order and manner that the Lender determines; and
- (c) in payment of the surplus (if any) to the Company or other person entitled to it.

16.2 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.

16.3 Suspense account

All monies received by the Lender, a Receiver or a Delegate under this deed:

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realised account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Lender and the Company; and
- (c) may be held in that account for so long as the Lender, Receiver or Delegate thinks fit.

17. COSTS AND INDEMNITY

17.1 Costs

The Company shall, promptly on 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:

- (a) this deed or the Secured Assets;
- (b) 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
- (c) 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 or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Company) at the rate and in the manner specified in the Loan Note Instruments.

17.2 Indemnity

The Company 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:

- (a) 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;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or
- (c) any default or delay by the Company in performing any of its obligations under this deed.

Any past or present employee or agent may enforce the terms of this clause 17.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

18. FURTHER ASSURANCE

18.1 Further assurance

The Company shall, at its own expense, take whatever action the Lender or any Receiver or the other Noteholders may reasonably require for:

- (a) creating, perfecting or protecting the security intended to be created by this deed;
- (b) facilitating the realisation of any Secured Asset; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Noteholders or any Receiver in respect of any Secured Asset,

including, without limitation (if the Lender or Receiver thinks it expedient) the execution of any 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 registration.

19. POWER OF ATTORNEY

19.1 Appointment of attorneys

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

- (a) the Company is required to execute and do under this deed; or
- (b) 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.

19.2 Ratification of acts of attorneys

The Company 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 19.1.

20. RELEASE

On the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Company, take whatever action is necessary to:

- (a) release the Secured Assets from the security constituted by this deed; and
- (b) reassign the Secured Assets to the Company.

21. ASSIGNMENT AND TRANSFER

21.1 Assignment by Lender

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

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

21.2 Assignment by Company

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

22. SET-OFF

22.1 Right of set-off

Any Noteholder may at any time set off any liability of the Company to the Lender against any liability of that Noteholder to the Company, 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 Noteholder may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by a Noteholder of its rights under this clause 22 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

22.2 No obligation to set off

No Noteholder is obliged to exercise its rights under clause 22.1. If, however, it does exercise those rights it must promptly notify the Company of the set-off that has been made.

22.3 Exclusion of Company's right of set-off

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

23. AMENDMENTS, WAIVERS AND CONSENTS

23.1 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).

23.2 Waivers and consents

23.2.1 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.

23.2.2 A failure to exercise, or a delay in exercising, 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.

23.3 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.

24. SEVERANCE

24.1 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.

25. COUNTERPARTS

25.1 Counterparts

25.1.1 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.

25.1.2 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

26. THIRD PARTY RIGHTS

26.1 Third party rights

26.1.1 Except as expressly provided for 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.

26.1.2 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.

27. FURTHER PROVISIONS

27.1 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.

27.2 Continuing security

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

27.3 Certificates

A certificate or determination by the Lender as to any amount for the time being due to it from the Company under this deed shall be, in the absence of any manifest error, conclusive evidence of the amount due.

27.4 Consolidation

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

27.5 Small company moratorium

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

- 27.5.1 an event under this deed which causes any floating charge created by this deed to crystallise;
- 27.5.2 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 Company; or
- 27.5.3 a ground under this deed for the appointment of a Receiver.

28. NOTICES

28.1 Delivery

Each notice or other communication required to be given to a party under or in connection with this deed shall be:

- 28.1.1 in writing;
- 28.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service; and
- 28.1.3 sent to:

the Company at its registered office from time to time;

Attention: Samuel Middleton

and the Lender at his address above stated with copy to Penningtons Manches LLP (Ref: Charles Brooks), da Vinci House, Basing View, Basingstoke, Hampshire RG21 4EQ

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

28.2 Receipt by Company

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

- 28.2.1 if delivered by hand, at the time it is left at the relevant address; and
- 28.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.

A notice or other communication given as described in clause 28.2.1 28.2 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.

28.3 Receipt by Lender

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

28.4 Service of proceedings

This clause 28 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.

28.5 No notice by email

A notice or other communication given under or in connection with this deed is not valid if sent by email.

29. LIMITATION OF LIABILITY

Keegan Alexander Trustee Company Limited has entered into this agreement in its capacity as the sole Trustee of the Miromutu Trust. The liability of Keegan Alexander Trustee Company Limited will in all circumstances be limited to the assets of the Miromutu Trust in its hands from time to time.

30. GOVERNING LAW AND JURISDICTION

30.1 Governing law

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

30.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales 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 non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Company 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.

30.3 Other service

The Company irrevocably consents to any process in any legal action or proceedings under clause 30.2 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.

SCHEDULE 1 – PROPERTY

[Left intentionally blank]

SCHEDULE 2 – RELEVANT AGREEMENTS

[Left intentionally blank]

SCHEDULE 3 – NOTICE AND ACKNOWLEDGEMENT – RELEVANT AGREEMENT

Part 1 – Form of notice

[On the letterhead of the Company]

[NAME OF COUNTERPARTY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear Sirs,

Debenture (Debenture) dated [DATE] between The Chapar Limited and David Nicholas Wright

We refer to the [DESCRIBE RELEVANT AGREEMENT] (Contract).

This letter constitutes notice to you that under the Debenture we have assigned, by way of security, to The Chapar Limited and David Nicholas Wright (**Lender**) all our rights in respect of the Contract.

We confirm that:

1. We will remain liable under the Contract to perform all the obligations assumed by us under the Contract.
2. None of the Lender, any delegate appointed by the Lender or any receiver will at any time be under any obligation or liability to you under or in respect of the Contract.

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

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

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

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

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Lender at Penningtons Manches

LLP (Ref: Charles Brooks), da Vinci House, Basing View, Basingstoke, Hampshire RG21 4EQ, with a copy to us.

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

Yours faithfully,

.....

Director
for and on behalf of
The Chapar Limited

Part 2 – Form of acknowledgement

[On the letterhead of the counterparty]

David Nicholas Wright
49 Lansdowne Road
London W11 2LG

[DATE]

Dear Sirs,

Debenture (Debenture) dated [DATE] between The Chapar Limited and David Nicholas Wright

We confirm receipt from The Chapar Limited (**Company**) of a notice (**Notice**) dated [DATE] of an assignment, by way of security, of all the Company's rights under [DESCRIBE RELEVANT AGREEMENT] (**Contract**).

We confirm that:

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

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

Yours faithfully,

.....

[COUNTERPARTY]

SCHEDULE 4 – NOTICE AND ACKNOWLEDGEMENT - INSURANCE POLICY

Part 1 – Form of notice

[On the letterhead of the Company]

[NAME OF INSURANCE COMPANY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear Sirs,

Debenture (Debenture) dated [DATE] between The Chapar Limited and David Nicholas Wright

We refer to the [DESCRIBE INSURANCE POLICY AND SPECIFY ITS POLICY NUMBER] **(Policy)**.

This letter constitutes notice to you that under the Debenture we have charged to David Nicholas Wright (**Lender**) all our rights in respect of the Policy (including all claims and all returns of premium in connection with the Policy).

We irrevocably instruct and authorise you to:

1. Comply with the terms of any written instructions received by you from the Lender relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
2. Hold all sums from time to time due and payable by you to us under the Policy to the order of the Lender.
3. Pay, or release, all monies to which we are entitled under the Policy to the Lender, or to such persons as the Lender may direct.
4. Disclose information in relation to the Policy to the Lender on request by the Lender.

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

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

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

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Lender at Penningtons Manches

LLP (Ref: Charles Brooks), da Vinci House, Basing View, Basingstoke, Hampshire RG21 4EQ, with a copy to us.

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

Yours faithfully,

.....
Director
for and on behalf of
The Chapar Limited

Part 2 – Form of acknowledgement

[On the letterhead of the insurance company]

David Nicholas Wright
49 Lansdowne Road
London W11 2LG

[DATE]

Dear Sirs,

Debenture (Debenture) dated [DATE] between The Chapar Limited and David Nicholas Wright

We confirm receipt from The Chapar Limited (**Company**) of a notice (**Notice**) dated [DATE] of an assignment, by way of security, of all the Company's rights under [DESCRIBE INSURANCE POLICY AND ITS NUMBER] (**Policy**).

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

We confirm that:

1. We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.
2. There has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued.
3. We will not cancel, avoid, release or otherwise allow the Policy to lapse without giving the Lender at least 30 days' prior written notice.
4. We have not, as at the date of this acknowledgement, received notice that the Company has assigned its rights under the Policy to a third party, or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party.
5. The Lender will not in any circumstances be liable for the premiums in relation to the Policy.

6. The Policy shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

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

Yours faithfully,

.....

[INSURER]

SCHEDULE 5 – NOTICE AND ACKNOWLEDGEMENT - BANK ACCOUNT

Part 1 – Form of notice

[On the letterhead of the Company]

[BANK, FINANCIAL INSTITUTION OR OTHER PERSON]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear Sirs,

Debenture (Debenture) dated [DATE] between The Chapar Limited and David Nicholas Wright

This letter constitutes notice to you that under the Debenture we have charged, by way of first fixed charge, in favour of David Nicholas Wright (**Lender**) all monies from time to time standing to the credit of the account held with you and detailed below (**Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest):

Name of Account: [NAME OF ACCOUNT]

Sort code: [SORT CODE]

Account number: [ACCOUNT NUMBER]

We irrevocably instruct and authorise you to:

1. Disclose to the Lender any information relating to the Account requested from you by the Lender.
2. Comply with the terms of any written notice or instructions relating to the Account received by you from the Lender.
3. Hold all sums from time to time standing to the credit of the Account to the order of the Lender.
4. Pay or release all or any part of the monies standing to the credit of the Account in accordance with the written instructions of the Lender.
5. Following written notice that the Debenture has become enforceable from the Lender, pay or release all or any part of the monies standing to the credit of the General Account in accordance with the written instructions of the Lender.

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

We are not permitted to withdraw any amount from any Account without the prior written consent of the Lender.

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

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

Please acknowledge receipt of this notice by sending the attached acknowledgement to the Lender at Penningtons Manches LLP (Ref: Charles Brooks), da Vinci House, Basing View, Basingstoke, Hampshire RG21 4EQ, with a copy to us.

Yours faithfully,

Signed.....

Director
for and on behalf of
The Chapar Limited

Part 2 – Form of acknowledgement

[On the letterhead of the bank, financial institution or other person]

David Nicholas Wright

49 Lansdowne Road

London W11 2LG

[DATE]

Dear Sirs,

Debenture (Debenture) dated [DATE] between The Chapar Limited and David Nicholas Wright

We confirm receipt from The Chapar Limited (**Company**) of a notice (**Notice**) dated [DATE] of a charge (on the terms of the Debenture) over all monies from time to time standing to the credit of the account detailed below (**Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest).

We confirm that we:

1. Accept the instructions contained in the Notice and agree to comply with the Notice.
2. Will not permit any amount to be withdrawn from the Account without your prior written consent.
3. Have not received notice of the interest of any third party in the Account.
4. Have neither claimed nor exercised, nor will claim or exercise any security interest, set-off, counter-claim or other right in respect of the Account.

The Account is:

Name of Account: [NAME OF ACCOUNT]

Sort code: [SORT CODE]

Account number: [ACCOUNT NUMBER]

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

Yours faithfully,

Signed.....

[NAME OF BANK, FINANCIAL INSTITUTION OR OTHER PERSON]

Executed as a Deed by)
The Chapar Limited)
acting by a director in the presence of:)

sign here:

Director
print name:

Witness signature:

Witness sign here:

Witness name:

print name:

Witness address:

insert address here:

Witness occupation:

insert occupation here:

Executed as a Deed by)
David Nicholas Wright)
in the presence of:)

sign here:

print names:

Witness signature:

Witness sign here:

Witness name:

print name:

Witness address:

insert address here:

Witness occupation:

insert occupation here: