



Registration of a Charge

Company Name: **RFC BEARWOOD LIMITED**

Company Number: **08709240**



Received for filing in Electronic Format on the: **08/05/2024**

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Details of Charge

Date of creation: **01/05/2024**

Charge code: **0870 9240 0006**

Persons entitled: **REDWOOD HOLDINGS 1 LTD**

Brief description: **ALL THAT FREEHOLD PROPERTY SITUATED AND KNOWN AS LAND AT MOLE ROAD, SINDLESHAM, WOKINGHAM REGISTERED AT THE LAND REGISTRY UNDER TITLE NUMBER BK471586**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **KITSON BOYCE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8709240

Charge code: 0870 9240 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st May 2024 and created by RFC BEARWOOD LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th May 2024 .

Given at Companies House, Cardiff on 14th May 2024

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**

EXECUTION VERSION

DATED

1 May 2024

**THIRD-PARTY LEGAL MORTGAGE OVER PROPERTY FROM A COMPANY SECURING
SPECIFIC LIABILITIES**

between

(1) RFC BEARWOOD LIMITED

and

(2) REDWOOD HOLDINGS 1 LTD

and

(3) THE READING FOOTBALL CLUB LIMITED

EXECUTION VERSION

CONTENTS

CLAUSE

1.	DEFINITIONS AND INTERPRETATION	3
2.	COVENANT TO PAY	8
3.	GRANT OF SECURITY	8
4.	PERFECTION OF SECURITY	9
5.	LIABILITY OF THE MORTGAGOR AND LENDER'S PROTECTIONS	10
6.	REPRESENTATIONS AND WARRANTIES	11
7.	GENERAL COVENANTS	14
8.	PROPERTY COVENANTS	15
9.	RENTAL INCOME COVENANTS	17
10.	POWERS OF THE LENDER	17
11.	WHEN SECURITY BECOMES ENFORCEABLE	19
12.	ENFORCEMENT OF SECURITY	19
13.	RECEIVERS	22
14.	POWERS OF RECEIVER	22
15.	DELEGATION	25
16.	APPLICATION OF PROCEEDS	26
17.	COSTS AND INDEMNITY	27
18.	FURTHER ASSURANCE	28
19.	POWER OF ATTORNEY	28
20.	RELEASE	28
21.	ASSIGNMENT AND TRANSFER	29
22.	SET-OFF	29
23.	AMENDMENTS, WAIVERS AND CONSENTS	29
24.	PARTIAL INVALIDITY	30
25.	COUNTERPARTS	30
26.	THIRD PARTY RIGHTS	30
27.	FURTHER PROVISIONS	31
28.	GUARANTEE AND INDEMNITY	32

EXECUTION VERSION

29.	NOTICES	33
30.	GOVERNING LAW AND JURISDICTION	35

SCHEDULE

SCHEDULE	PROPERTY	36
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EXECUTION VERSION

This deed is dated

1 May

2024

Parties

- (1) RFC BEARWOOD LIMITED incorporated and registered in England and Wales with company number 8709240 whose registered office is at Select Car Leasing Stadium, Junction 11, M4, Reading, RG2 0FL (**Mortgagor**);
- (2) REDWOOD HOLDINGS 1 LTD incorporated and registered in England and Wales with company number 15584628 whose registered office is at 124-128 City Road, London, EC1V 2NX (**Lender**);
- (3) THE READING FOOTBALL CLUB LIMITED incorporated and registered in England and Wales with company number 00053703 whose registered office is at Select Car Leasing Stadium, Junction 11, M4, Reading, RG2 0FL (**Borrower**).

BACKGROUND

- (A) The Lender has agreed, under the Facility Agreements, to provide the Borrower with loan facilities on a secured basis.
- (B) The Mortgagor owns the Property.
- (C) This deed provides security, which the Borrower has agreed to ensure is provided to the Lender for the loan facilities made or to be made available to the Borrower under the Facility Agreements and any other loan facilities made available.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

Terms defined in the Facility Agreements shall, unless otherwise defined in this deed, have the same meaning in this deed. In addition, the following definitions apply in this deed:

Bearwood Park means the land lying to the east of Mole Road, Sindlesham, Wokingham registered at HM Land Registry with title number BK513427.

Bearwood Park Legal Mortgage means the legal mortgage dated 19 April 2024 over Bearwood Park entered into between Prestige Fortune Asia Limited (1) the Lender (2) and the Borrower (3).

EXECUTION VERSION

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

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

Debenture means the security agreement entered into between the Mortgagor and the Lender on 19 April 2024 whereby the Mortgagor grants a charge over its assets in favour of the Lender.

Delegate: any person appointed by the Lender or any Receiver under clause 15 and any person appointed as attorney of the Lender, or any Receiver or Delegate.

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

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

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

Event of Default: has the meaning given to that expression in the Facility Agreements.

Facility Agreements: means the following five facility agreements: (i) a facility agreement (tranche 1) dated 25 March 2024 between the Borrower (1) the Lender (2); (ii) a facility agreement (tranche 2) dated 27 March 2024 between the Borrower (1) the Lender (2); (iii) a facility agreement (tranche 3) dated 19 April 2024 between the Borrower (1) the Lender (2); (iv) a facility agreement (tranche 4) dated 19 April 2024 between the Borrower (1) the Lender (2); and (v) a facility agreement (tranche 5) dated 1 May 2024 between the Borrower (1) the Lender (2)

Finance Documents: has the meaning given to that expression in the facility agreement (tranche 5) dated 1 May 2024 between the Borrower (1) and the Lender (2).

Financial Collateral: has the meaning given to that expression in the Financial Collateral Regulations.

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

Guaranteed Obligations: all monies and liabilities from time to time occurring or incurred by the Borrower to the Lender pursuant to the Facility Agreements and the Finance Documents.

EXECUTION VERSION

Insurance Policy: each contract and policy of insurance effected or maintained by the Mortgagor from time to time in respect of the Property.

Legal Mortgage No 1 means the legal mortgage dated 25 March 2024 over the Training Ground entered into between the Mortgagor (1) the Lender (2) and Borrower (3).

Legal Mortgage No 2 means the legal mortgage dated 27 March 2024 over the Training Ground entered into between the Mortgagor (1) the Lender (2) and the Borrower (3).

Legal Mortgage No 3 means the legal mortgage dated 19 April 2024 over the Training Ground entered into between the Mortgagor (1) the Lender (2) and the Borrower (3).

LPA 1925: the Law of Property Act 1925.

Parent means Renhe Sports Management Co Limited a limited company registered in England and Wales with the registered number 10499642 whose registered office is at Select Car Leasing Stadium, Junction 11, M4, Reading, England, RG2 0FL.

Prestige Fortune Asia Limited means Prestige Fortune Asia Limited, a company incorporated in the British Virgin Islands (registration no 2010364) and whose registered address is OMC Chambers, Wickhams Cay I, Road Town, Tortola, British Virgin Islands.

Prior Charges: means Legal Mortgage No 1, Legal Mortgage No 2 and Legal Mortgage No 3.

Property: the freehold or leasehold property (whether registered or unregistered) owned by the Mortgagor described in the Schedule.

Receiver: a receiver or receiver and manager appointed by the Lender under clause 13.

Rental Income: all amounts paid or payable to or for the account of the Mortgagor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property.

Rights: any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.

Secured Liabilities: means all present and future obligations and liabilities of each of the Borrower, the Mortgagor, the Parent or Prestige Fortune Asia Limited to the Lender (whether actual or contingent and whether owed jointly and severally, as principal or surety or in any other capacity) under or in connection with all or any of the following:

- (a) The Finance Documents or any of them;
- (b) The Facility Agreements or any of them;
- (c) The Bearwood Park Legal Mortgage, the Debenture, Legal Mortgage No 1, Legal Mortgage No 2, Legal Mortgage No 3 and the Share Charge or any of them;
- (d) any future loan or loans, lending, financial or credit facilities or any other form of loan facility which the Lender may in the future provide or make available to any of the

EXECUTION VERSION

Borrower, Prestige Fortune Asia Limited and/or the Mortgagor and which is designated as a loan document by the Lender and the Borrower and/or the Mortgagor; or

(e) any future Security granted to the Lender by any of the Borrower, Prestige Fortune Asia Limited, the Parent or the Mortgagor and which is designated as a loan document by the Lender and the Borrower and/or the Mortgagor,

together with, in any case, all interest (including, without limitation, default interest) and other costs and expenses accruing in respect of such monies, obligations or liabilities.

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

Security Financial Collateral Arrangement: has the meaning given to that expression in the Financial Collateral Regulations.

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

Share Charge means the charge over shares deed creating a charge over the shares held by the Parent in the Borrower entered into between the Parent and the Lender on 19 April 2024.

Training Ground means the freehold land known as Land at Mole Road, Sindlesham, Wokingham registered at HM Land Registry with title number BK471586.

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

1.2 Interpretation

In this deed:

- (a) clause and Schedule headings shall not affect the interpretation of this deed;
- (b) a **person** includes 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 or other entity (whether or not having separate legal personality);
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (e) a reference to a party and the **Borrower** shall include that party's or the Borrower's successors, permitted assigns and permitted transferees and this

EXECUTION VERSION

deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective successors, permitted assigns and permitted transferees;

- (f) a reference to legislation or a legislative provision is a reference to it as amended, extended or re-enacted from time to time;
- (g) a reference to legislation or a legislative provision shall include all subordinate legislation made from time to time under that legislation or legislative provision;
- (h) a reference to **writing** or **written** includes fax and email;
- (i) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (j) 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;
- (k) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed;
- (l) any words following the terms **including, include, in particular, for example** or any similar expression shall be interpreted as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- (m) a reference to an **amendment** includes a novation, supplement or variation (and **amend** and **amended** shall be construed accordingly);
- (n) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (o) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration or resolution;
- (p) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- (q) 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
- (r) 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

EXECUTION VERSION

If the Lender considers that an amount paid by the Borrower or the Mortgagor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or the Mortgagor, 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 the Property** includes:

- (a) 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 the Property at any time;
- (b) the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Mortgagor in respect of the 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 the 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 Finance Documents and of any side letters between any parties in relation to the Finance Documents are incorporated into this deed.

1.6 Schedule

The Schedule forms 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 Schedule.

2. Covenant to pay

2.1 Covenant to pay

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

3. Grant of security

3.1 Legal mortgage and fixed charges

Subject to the Prior Charges (under which the Lender irrevocably consents to the charges envisaged by this clause) as a continuing security for the payment and

EXECUTION VERSION

discharge of the Secured Liabilities, the Mortgagor with full title guarantee charges to the Lender:

- (a) by way of a third legal mortgage, the Property; and
- (b) by way of a third fixed charge:
 - (i) all its rights in each Insurance Policy (as applicable), including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, the Rental Income (if applicable) and the benefit of any guarantee or security in respect of the Rental Income;
 - (ii) the benefit of all other contracts, guarantees, appointments and warranties relating to the Charged Assets and other documents to which the Mortgagor 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 the Charged Assets or otherwise relating to the Charged Assets (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them); and
 - (iii) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Mortgagor's business carried on at the Property or the use of any Charged Asset, and all rights in connection with them.

4. Perfection of security

4.1 Registration of legal mortgage at the Land Registry

The Mortgagor consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to the Property:

"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 [1 May 2024] in favour of Redwood Holdings 1 Ltd referred to in the charges register or their conveyancer."

4.2 Further advances

EXECUTION VERSION

The Lender covenants with the Mortgagor that it shall perform its obligations to make advances to the Borrower under the Facility Agreements (including any obligation to make available further advances).

4.3 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 Mortgagor's title to the Property, the Mortgagor shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Mortgagor 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.

5. Liability of the Mortgagor and Lender's protections

5.1 Liability not discharged

The Mortgagor's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- (a) any intermediate payment, settlement of account or discharge in whole or in part of the Secured Liabilities;
- (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy that the Lender may now or after the date of this deed have from or against the Borrower, the Mortgagor or any other person in connection with the Secured Liabilities;
- (c) any act or omission by the Lender or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Borrower, the Mortgagor or any other person;
- (d) any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Liabilities;
- (e) any grant of time, indulgence, waiver or concession to the Borrower, the Mortgagor or any other person;
- (f) any insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Borrower, the Mortgagor or any other person;
- (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower, the Mortgagor or any other person in connection with the Secured Liabilities;

EXECUTION VERSION

- (h) any claim or enforcement of payment from the Borrower, the Mortgagor or any other person; or
- (i) any other act or omission that would not have discharged or affected the liability of the Mortgagor had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Mortgagor or otherwise reduce or extinguish its liability under this deed.

5.2 Immediate recourse

The Mortgagor waives any right it may have to require the Lender:

- (a) to take any action or obtain judgment in any court against the Borrower or any other person;
- (b) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Borrower or any other person; or
- (c) to make demand, enforce or seek to enforce any claim, right or remedy against the Borrower or any other person,

before taking steps to enforce any of its rights or remedies under this deed.

5.3 Non-competition

The Mortgagor warrants to the Lender that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Borrower, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Mortgagor under this deed but:

- (a) if any of the Rights is taken, exercised or received by the Mortgagor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Mortgagor on trust for the Lender for application in or towards the discharge of the Secured Liabilities under this deed; and
- (b) on demand by the Lender, the Mortgagor shall promptly transfer, assign or pay to the Lender all Rights and all monies from time to time held on trust by the Mortgagor under this clause 5.3.

6. Representations and warranties

6.1 Times for making representations and warranties

The Mortgagor makes the representations and warranties set out in this clause 6 to the Lender on the date of this deed and the representations and warranties contained in clause 6.2 to 6.14 are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

EXECUTION VERSION

6.2 Due incorporation

The Mortgagor:

- (a) is a duly incorporated limited liability company validly existing under the law of its jurisdiction of incorporation; and
- (b) has the power to own its assets and carry on its business as it is being conducted.

6.3 Powers

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

6.4 Non-contravention

The entry into and performance by the Mortgagor of, and the transactions contemplated by, this deed do not and will not contravene or conflict with:

- (a) its constitutional documents;
- (b) any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument, subject to the consent at clause 3.1 in respect of the Prior Charges being provided; or
- (c) any law or regulation or judicial or official order applicable to it.

6.5 Authorisations

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

6.6 Binding obligations

- (a) the Mortgagor's obligations under this deed are legal, valid, binding and enforceable; and
- (b) this deed creates:
 - (i) valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and
 - (ii) subject to registration in accordance with the Companies Act 2006 and, in the case of real property, registration at the Land Registry, perfected Security over the assets expressed to be subject to Security in it,

EXECUTION VERSION

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

6.7 No filing or stamp taxes

It is not necessary to file, record or enrol this deed (other than as provided in clause 6.6) with any court or other authority or pay any stamp, registration or similar taxes in relation to this deed or any transaction contemplated by it (other than in connection with the registrations referred to in clause 6.6).

6.8 Ownership of Charged Assets

The Mortgagor is the sole legal and beneficial owner of the Charged Assets and has good, valid and marketable title to the Property.

6.9 No Security

Save for restrictions noted on the title to the Charged Assets as at the date of this deed, the Charged Assets are free from any Security other than the Security created by this deed and the Prior Charges.

6.10 No adverse claims

Save for the restrictions detailed on the title for the Property, the Mortgagor has not received, to its knowledge, having made reasonable inquiries or acknowledged notice of, any adverse claim by any person in respect of the Charged Assets or any interest in them.

6.11 No adverse covenants

Save for the restrictions on the title for the Property, to the Borrower's knowledge, having made reasonable inquiries, there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever that materially and adversely affect the Charged Assets.

6.12 No breach of laws

To the Borrower's knowledge, having made reasonable inquiries, there is no breach of any law or regulation, that materially and adversely affects the Charged Assets.

6.13 No interference in enjoyment

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

6.14 Avoidance of security

EXECUTION VERSION

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 Mortgagor or otherwise.

7. General covenants

7.1 Negative pledge and disposal restrictions

The Mortgagor shall not at any time, except with the Lender's prior written consent:

- (a) Create or purport to create any Security on, or in relation to, any Charged Asset other than any Security created by this deed;
- (b) 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 Charged Assets; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Assets in favour of a third party.

7.2 Preservation of Charged Assets

The Mortgagor 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 Charged Assets or the effectiveness of the security created by this deed.

7.3 Compliance with laws and regulations

- (a) The Mortgagor shall not, without the Lender's prior written consent, use or permit the Charged Assets to be used in any way contrary to law.
- (b) The Mortgagor shall:
 - (i) comply with the requirements of any law or regulation relating to or affecting the Charged Assets or the use of them or any part of them;
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Charged Assets or their use or that are necessary to preserve, maintain or renew any Charged Asset; and
 - (iii) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Charged Assets.

7.4 Enforcement of rights

The Mortgagor shall use its reasonable endeavours to:

- (a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Mortgagor and forming part of the

EXECUTION VERSION

Charged Assets of the covenants and other obligations imposed on such counterparty; and

- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Assets that the Lender may require from time to time.

7.5 Notice of misrepresentation and breach

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

- (a) any representation or warranty set out in this deed that 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.

7.6 Ranking of obligations

The Mortgagor's payment obligations under this deed will, at all times, rank in all respects in priority to all its other indebtedness, other than pursuant to the Prior Charges and indebtedness preferred by operation of law in the event of its winding-up.

7.7 Authorisations

The Mortgagor shall obtain all consents and authorisations necessary (and do all that is needed to maintain them in full force and effect) under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this deed and to ensure the legality, validity, enforceability and admissibility in evidence of this deed in its jurisdiction of incorporation.

8. Property covenants

8.1 Leases and licences affecting the Property

The Mortgagor shall not, without the Lender's prior written consent:

- (a) grant any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);
- (b) in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property);
- (c) let any person into occupation, or share occupation, of the whole or any part of the Property; or

EXECUTION VERSION

- (d) grant any consent or licence under any lease or licence affecting the Property.

8.2 No restrictive obligations

The Mortgagor shall not, without the Lender's prior written consent, enter into any onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of the Property.

8.3 Proprietary rights

The Mortgagor shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the Lender's prior written consent.

8.4 Compliance with and enforcement of covenants

The Mortgagor shall:

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

8.5 Notices or claims relating to the Property

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

8.6 Payment of rent and outgoings

EXECUTION VERSION

The Mortgagor shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on the Property or on its occupier.

8.7 Environment

The Mortgagor shall in respect of the Property:

- (a) comply in all material respects with all the requirements of Environmental Law; and
- (b) obtain and comply in all material respects with all Environmental Licences.

8.8 Conduct of business on Property

The Mortgagor shall carry on its trade and business on those parts (if any) of the Property as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business.

8.9 Inspection

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

8.10 VAT option to tax

The Mortgagor shall not, without the Lender's prior written consent:

- (a) exercise any VAT option to tax in relation to the Property; or
- (b) revoke any VAT option to tax exercised, and disclosed to the Lender in writing, before the date of this deed.

9. Rental Income covenants

9.1 Collection of and dealings with Rental Income

- (a) The Mortgagor shall not deal with the Rental Income except by getting it in and realising it in the ordinary and usual course of its business and shall, immediately on receipt, pay all Rental Income or into such other account as the Lender may direct from time to time. The Mortgagor shall, pending that payment into the account, hold all Rental Income on trust for the Lender.
- (b) The Mortgagor agrees with the Lender that any monies received by the Lender under clause 9.1(a) shall not constitute the Lender as mortgagee in possession of the Property.

10. Powers of the Lender

10.1 Power to remedy

EXECUTION VERSION

- (a) The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Mortgagor of any of its obligations contained in this deed.
- (b) The Mortgagor irrevocably authorises the Lender and its agents to do all things that are necessary or desirable for that purpose.
- (c) The Mortgagor shall reimburse the Lender, on a full indemnity basis, for any monies the Lender expends in remedying a breach by the Mortgagor of its obligations contained in this deed and such monies shall carry interest in accordance with clause 17.1.
- (d) In remedying any breach in accordance with this clause 10.1, the Lender, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

10.2 Exercise of rights

The rights of the Lender under clause 10.1 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.

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

10.4 Conversion of currency

- (a) 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 10.4) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.
- (b) Each reference in this clause 10.4 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.

10.5 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 Mortgagor) in respect of any of

EXECUTION VERSION

the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Mortgagor for the Secured Liabilities.

11. When security becomes enforceable

11.1 Security becomes enforceable on Event of Default

Subject to the provisions of clause 9.2.2 of the Facility Agreements, the security constituted by this deed shall become immediately enforceable if an Event of Default occurs.

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 Charged Assets.

12. Enforcement of security

12.1 Enforcement powers

- (a) 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.
- (b) 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.
- (c) 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 Mortgagor, to:

- (a) grant a lease or agreement for lease;
- (b) accept surrenders of leases; or
- (c) grant any option in respect of the whole or any part of the Property with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Mortgagor, and on such terms and conditions (including the payment of money to a

EXECUTION VERSION

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 Redemption of prior Security

- (a) At any time after the security constituted by this deed has become enforceable, the Lender may:
 - (i) redeem any prior Security over any Charged Asset;
 - (ii) procure the transfer of that Security to itself; and
 - (iii) 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 Mortgagor).
- (b) The Mortgagor 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.

12.4 Protection of third parties

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

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Lender, any Receiver or any Delegate is to be applied.

12.5 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.

12.6 Exclusion of liability

Neither the Lender, nor any Receiver or Delegate, shall be liable to the Mortgagor or any other person:

- (a) (by reason of entering into possession of a Charged Asset, or for any other reason) to account as mortgagee in possession in respect of all or any of the Charged Assets;
- (b) for any loss on realisation, or for any act, default or omission for which a mortgagee in possession might be liable; or

EXECUTION VERSION

- (c) for any expense, loss or liability:
 - (i) relating to the enforcement of, or any failure to enforce or delay in enforcing, any security constituted by or pursuant to this deed;
 - (ii) relating to an exercise of rights, or by any failure to exercise or delay in exercising, rights under this deed; or
 - (iii) arising in any other way in connection with this deed,

except that this does not exempt the Lender or any Receiver or Delegate from liability for losses caused by the gross negligence, fraud or wilful misconduct of the Lender or the relevant Receiver or Delegate.

12.7 Relinquishing possession

If the Lender, any Receiver or Delegate enters into or takes possession of a Charged Asset, it or they may at any time relinquish possession.

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 Charged 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 they think fit.

12.9 Right of appropriation

- (a) To the extent that:
 - (i) the Charged Assets constitute Financial Collateral; and
 - (ii) this deed and the obligations of the Mortgagor 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 Charged Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Lender may, in its absolute discretion, determine.
- (b) The value of any Charged Assets appropriated in accordance with this clause shall be equal to the outstanding loan amount under the Facility Agreements, together with any accrued but unpaid interest, at the time the right of appropriation is exercised.
- (c) The Mortgagor agrees that the method of valuation provided for in this clause is commercially reasonable for the purposes of the Financial Collateral Regulations.

EXECUTION VERSION

13. Receivers

13.1 Appointment

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

13.2 Removal

The Lender may, without further notice, 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 Charged Assets.

13.6 Agent of the Mortgagor

Any Receiver appointed by the Lender under this deed shall be the agent of the Mortgagor and the Mortgagor 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 Mortgagor 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 Powers additional to statutory powers

EXECUTION VERSION

- (a) Any Receiver appointed by the Lender under this deed shall, in addition to the rights, powers and discretions conferred on them by statute, have the rights, powers and discretions set out in clause 14.2 to clause 14.20.
- (b) 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 they are an administrative receiver or not.
- (c) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing them states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (d) Any exercise by a Receiver of any of the powers given by clause 14 may be on behalf of the Mortgagor, the directors of the Mortgagor or themselves.

14.2 Repair and develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property 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 Grant or accept surrenders of leases

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting the Property on any terms, and subject to any conditions, that they think fit.

14.4 Employ personnel and advisers

- (a) 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 they think fit.
- (b) A Receiver may discharge any such person or any such person appointed by the Mortgagor.

14.5 Make and revoke VAT options to tax

A Receiver may make, exercise or revoke any VAT option to tax as they think fit.

14.6 Charge for remuneration

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

14.7 Take possession

EXECUTION VERSION

A Receiver may take immediate possession of, get in and realise any Charged Asset.

14.8 Manage or reconstruct the Mortgagor'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 Mortgagor carried out at the Property.

14.9 Dispose of Charged Assets

A Receiver may grant options and licences over all or any part of the Charged Assets, grant any other interest or right over, sell, exchange, assign or lease (or concur in granting options and licences over all or any part of the Charged Assets, granting any other interest or right over, selling, exchanging, assigning or leasing) all or any of the Charged Assets in respect of which they are appointed for such consideration and in such manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as they think fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Assets to be disposed of by them.

14.10 Sever fixtures and fittings

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

14.11 Give 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 Charged Assets.

14.12 Make settlements

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of the Mortgagor or relating in any way to any Charged Asset.

14.13 Bring legal action

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

14.14 Insure

A Receiver may, if they think fit, but without prejudice to the indemnity in clause 17.2, 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 Mortgagor under this deed.

14.15 Form subsidiaries

EXECUTION VERSION

A Receiver may form a subsidiary of the Mortgagor and transfer to that subsidiary any Charged Asset.

14.16 Borrow

A Receiver may, for whatever purpose they think fit, raise and borrow money either unsecured or on the security of all or any of the Charged Assets in respect of which they are appointed on any terms that they think fit (including, if the Lender consents, terms under which that security ranks in priority to this deed).

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

14.18 Delegation

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

14.19 Absolute beneficial owner

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

14.20 Incidental powers

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

- (a) may consider desirable or necessary for realising any of the Charged 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 Mortgagor.

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 or them by this deed (including the power of attorney granted under clause 19.1).

15.2 Terms

EXECUTION VERSION

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

15.3 Liability

Neither the Lender nor any Receiver shall be in any way liable or responsible to the Mortgagor for any loss or liability of any nature 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 or recovered by the Lender, a Receiver or a Delegate under this deed or in connection with the realisation or enforcement of all or part of the security constituted by this deed (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Lender's right to recover any shortfall from the Mortgagor or the Borrower):

- (a) 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;
- (b) in or towards payment of the Secured Liabilities in any order and manner that the Lender determines; and
- (c) in payment of the surplus (if any) to the Mortgagor 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 (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to a suspense account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Lender and the Mortgagor; and

EXECUTION VERSION

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

- (a) the negotiation, preparation, printing, execution and delivery of this deed and any other documents referred to in this deed;
- (b) the Charged Assets;
- (c) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the security constituted by this deed or any rights of the Lender, a Receiver or a Delegate under this deed;
- (d) any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) under or in connection with this deed;
- (e) any release of any security constituted by this deed;
- (f) taking proceedings for, or recovering, any of the Secured Liabilities; or
- (g) any actual or alleged breach by any person of any law or regulation (including the investigation of that breach),

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 fee, cost, charge, loss, liability, expense or tax arose until its full discharge (whether before or after judgment) at the rate and in the manner specified in the Facility Agreements.

17.2 Indemnity

- (a) The Mortgagor shall, promptly on demand, indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents against any failure or delay in paying the fees, costs, charges, losses, liabilities, expenses, taxes or interest referred to in clause 17.1 above.
- (b) 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.

EXECUTION VERSION

18. Further assurance

18.1 Further assurance

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

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

19. Power of attorney

19.1 Appointment of attorneys

By way of security, the Mortgagor irrevocably appoints the Lender, every Receiver and every Delegate separately to be the attorney of the Mortgagor 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 Mortgagor 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 Mortgagor 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

20.1 Release

Subject to clause 27.3, at the end of the Security Period, the Lender shall, at the request and cost of the Mortgagor, take whatever action is necessary to:

EXECUTION VERSION

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

21. Assignment and transfer

21.1 Assignment by Lender

- (a) At any time, without the consent of the Mortgagor, the Lender may assign any of its rights or transfer any of its rights and obligations under this deed.
- (b) The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Mortgagor, the Charged Assets and this deed that the Lender considers appropriate.

21.2 Assignment by Mortgagor

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

22. Set-off

22.1 Lender's right of set-off

The Lender may at any time set off any liability of the Mortgagor to the Lender against any liability of the Lender to the Mortgagor, 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 22.1 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

The Lender is not obliged to exercise its rights under clause 22.1. If it does exercise those rights it must promptly notify the Mortgagor of the set-off that has been made.

22.3 Exclusion of Mortgagor's right of set-off

All payments made by the Mortgagor 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).

23. Amendments, waivers and consents

23.1 Amendments

EXECUTION VERSION

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

- (a) 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 subsequent right or remedy. It only applies to the circumstances in relation to which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) A failure by the Lender to exercise, or delay by it 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. Partial invalidity

If, at any time, any provision of this deed is or becomes invalid, illegal or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

25. Counterparts

25.1 Counterparts

- (a) 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.
- (b) 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

EXECUTION VERSION

- (a) Except as expressly provided elsewhere in this deed, a person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed.
- (b) Notwithstanding any term of this deed, the consent of any person who is not a party to this deed is not required to rescind or vary this deed at any time.

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 Charged 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 Discharge conditional

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

- (a) the Lender or its nominee may retain this deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Charged 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
- (b) the Lender may recover the value or amount of such security or payment from the Mortgagor subsequently as if the release, discharge or settlement had not occurred.

27.4 Certificates

Any certification or determination by the Lender of any rate or amount under this deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

27.5 Consolidation

EXECUTION VERSION

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

28. Guarantee and indemnity

- 28.1 The Mortgagor guarantees to the Lender, whenever the Borrower does not pay any of the Guaranteed Obligations when due, to pay on demand the Guaranteed Obligations.
- 28.2 The Mortgagor, as principal obligor and as a separate and independent obligation and liability from its obligations and liabilities under clause 28.1, agrees to indemnify the Lender and keep the Lender indemnified in full and on demand from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Lender arising out of, or in connection with, the Guaranteed Obligations not being recoverable for any reason or any failure of the Borrower to perform or discharge any of its obligations or liabilities in respect of the Guaranteed Obligations.
- 28.3 This guarantee is and shall at all times be a continuing security and shall cover the ultimate balance from time to time owing to the Lender by the Borrower in respect of the Guaranteed Obligations.
- 28.4 The liability of the Mortgagor under this clause 28 shall not be reduced, discharged or otherwise adversely affected by:
- (a) any intermediate payment, settlement of account or discharge in whole or in part of the Guaranteed Obligations;
 - (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Lender may now or after the date of this guarantee have from or against any of the Borrower and any other person in connection with the Guaranteed Obligations;
 - (c) any act or omission by the Lender or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Borrower or any other person;
 - (d) any termination, amendment, variation, novation, replacement or supplement of or to any of the Guaranteed Obligations including, without limitation, any change in the purpose of, any increase in or extension of the Guaranteed Obligations and any addition of new Guaranteed Obligations;
 - (e) any grant of time, indulgence, waiver or concession to the Borrower or any other person;
 - (f) the insolvency, bankruptcy, liquidation, administration or winding up, or any incapacity, limitation, disability, discharge by operation of law or change in the constitution, name or style, of the Borrower, the Lender or any other person;

EXECUTION VERSION

- (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower or any other person in connection with the Guaranteed Obligations;
- (h) any claim or enforcement of payment from the Borrower or any other person;
- (i) any act or omission which would not have discharged or affected the liability of the Mortgagor had it been a principal debtor instead of a guarantor; or
- (j) any other act or omission except an express written release by deed of the Mortgagor by the Lender.

28.5 The Lender shall not be obliged, before taking steps to enforce any of its rights and remedies under this guarantee, to:

- (a) take any action or obtain judgment in any court against the Borrower or any other person;
- (b) make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Borrower or any other person; or
- (c) make demand or enforce or seek to enforce any claim, right or remedy against the Borrower or any other person.

28.6 The Mortgagor warrants to the Lender that it has not taken, exercised or received, and shall not take, exercise or receive, any Rights from or against the Borrower, its liquidator, an administrator, a co-guarantor or any other person in connection with any liability of, or payment by, the Mortgagor under this guarantee but:

- (a) if any such Right is taken, exercised or received by the Guarantor, that Right and all monies at any time received or held in respect of that Right shall be held by the Mortgagor on trust for the Lender for application in or towards the discharge of the Guaranteed Obligations under this guarantee; and
- (b) on demand by the Lender, the Mortgagor shall promptly transfer, assign or pay to the Lender all other Rights and all monies from time to time held on trust by the Guarantor under this clause 28.6.

28.7 This guarantee is in addition to and shall not affect nor be affected by or merge with any other judgment, Security, right or remedy obtained or held by the Lender from time to time for the discharge and performance of the Borrower of the Guaranteed Obligations.

29. Notices

29.1 Delivery

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

EXECUTION VERSION

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax or email; and
- (c) sent to:
 - (i) the Mortgagor at:
Email: dpang@readingfc.co.uk
Attention: Dayong Pang
 - (ii) the Lender at Kitson Boyce LLP, Minerva House, Orchard Way, Edginswell Park, Torquay, Devon, TQ2 7FA (Ref: CJB/CRO92/5)
 - (iii) the Borrower at:
Select Car Leasing Stadium, Junction 11, M4, Reading, England, RG2 0FL
Email: dpang@readingfc.co.uk
Attention: Dayong Pang

or to any other address, fax number or email address notified in writing by one party to the other from time to time.

29.2 Receipt by Mortgagor

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

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting;
- (c) if sent by fax, when received in legible form; and
- (d) if sent by email, when received in readable form.

A notice or other communication given as described in clause 29.2(a), clause 29.2(c) or clause 29.2(d) 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.

29.3 Receipt by Lender

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

29.4 Service of proceedings

EXECUTION VERSION

This clause 29 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.

30. Governing law and jurisdiction

30.1 Governing law

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

30.2 Jurisdiction

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

30.3 Other service

The Mortgagor 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.

EXECUTION VERSION

Schedule Property

All that freehold property situated and known as Land at Mole Road, Sindlesham, Wokingham registered at the Land Registry under title number BK471586.

EXECUTION VERSION

Executed as a deed by
RFC BEARWOOD LIMITED
acting by Dayong Pang
a director, in the presence of:


Director

Witness:


Signature: 

Name: Graham Odell

Address: 

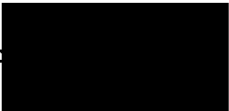
Occupation: Chief Financial Officer

Executed as a deed by
REDWOOD HOLDINGS 1 LTD
acting by Leo Rifkind
a director, in the presence of:


Director

EXECUTION VERSION

Witness:

Signature: 

Name: Sam Helmy

Address: 

Occupation: Director

Executed as a deed by
THE READING FOOTBALL CLUB LIMITED
acting by Dayong Pang
a director, in the presence of:

DocuSigned by:

Director

Witness:

EXECUTION VERSION

Signature:

A black rectangular box redacting the signature.

Name: Graham Odell

Address:

A black rectangular box redacting the address.

Occupation: Chief Financial Officer