



Registration of a Charge

Company name: **GEORGE BANCO.COM LIMITED**

Company number: **08804623**



X63SM9SR

Received for Electronic Filing: **06/04/2017**

Details of Charge

Date of creation: **03/04/2017**

Charge code: **0880 4623 0003**

Persons entitled: **SECURITY TRUSTEE SERVICES LIMITED AS SECURITY AGENT**

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: **WE 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:

HARRISON CLARK RICKERBYS LIMITED



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8804623

Charge code: 0880 4623 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd April 2017 and created by GEORGE BANCO.COM LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th April 2017 .

Given at Companies House, Cardiff on 7th April 2017

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

2 April

2017

GEORGE BANCO.COM LIMITED

- and -

GEORGE BANCO LIMITED

(together, the Chargors)

- and -

SECURITY TRUSTEE SERVICES LIMITED
(as Security Agent)

- and -

RETAIL MONEY MARKET LTD
(as RateSetter)

- and -

RETAIL MONEY MARKET LTD
(as Agent)

DEBENTURE

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THIS DEBENTURE is made on

3 April 2017

(this "Debenture")

BETWEEN:

- (1) **George Banco Limited** (Company No. 08605069) whose registered office is at The Blue Building Dairy House Farm, Stubbs Lane, Beckington, Frome, BA11 6TE;
- (2) **George Banco.com Limited** (Company No. 08804623) whose registered office is at The Blue Building Dairy House Farm, Stubbs Lane, Beckington, Frome, BA11 6TE,

(1) and (2) together (the "**Chargors**" and each a "**Chargor**");
- (3) **Security Trustee Services Limited** (Company No. 08492303) whose registered office is at 6th Floor, 55 Bishopsgate, London EC2N 3AS as security agent and trustee for the Beneficiaries (the "**Security Agent**");
- (4) **Retail Money Market Ltd** (Company No. 7075792) whose registered office is at 6th Floor, 55 Bishopsgate, London EC2N 3AS, acting for itself in connection with the RMM Loan Agreement ("**RateSetter**"); and
- (5) **Retail Money Market Ltd** (Company No. 7075792) whose registered office is at 6th Floor, 55 Bishopsgate, London EC2N 3AS, acting for itself and as agent for and on behalf of the RateSetter Lenders in connection with the Loan Summary Document (the "**Agent**").

WITNESSES AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

- 1.1 Definitions:** Unless the context otherwise requires, words or expressions defined in the RMM Loan Agreement or the Loan Summary Document (as applicable) shall have the same meanings in this Debenture and this construction shall survive the termination of the RMM Loan Agreement or the Loan Summary Document (as applicable). In addition, in this Debenture:

"Account Bank" means Barclays Bank PLC acting through its branch at Corporate Banking, 4th Floor, Bridgewater House, Counterslip, Finzels Reach, Bristol, BS1 6BX.

"Assets" means in relation to each Chargor, all its undertaking, property, assets, revenues and rights of every description, or any part of them.

"Assigned Agreement" means each Customer Loan and any other agreement designated as an Assigned Agreement by a Chargor and the Security Agent.

"Bank Account" means each account held by a Chargor with the Account Bank and any other bank account of any Chargor as agreed by such Chargor and the Security Agent.

"Beneficiary" means each Finance Party and any Receiver or Delegate.

"Charged Property" means all the assets, property and undertaking for the time being of each Chargor that is subject to the security created or purported to be created by, or pursuant to, this Debenture (and references to the Charged Property shall include references to any part of them).

"Customers" means all customers originated by a Chargor for the purpose of making Customer Loans to them.

"Customer Loan" means each Qualifying Loan made by any Chargor to Customers.

"Declared Default" means that an Event of Default has occurred and as a result RateSetter has taken steps to exercise any of its rights under paragraph 14 (Acceleration) of Schedule 5 (Events of Default) to the RMM Loan Agreement or the Agent has taken any steps to exercise any of its rights under paragraph 14 (Acceleration) of Schedule 5 (Events of Default) to the Loan Summary Document.

"Deed of Priority" means the deed of priority dated on or about the date of this Debenture between, among others, RateSetter, the Agent and the Security Agent.

"Default" has the meaning given to that term in the RMM Loan Agreement and the Loan Summary Document.

"Delegate" means any person appointed by the Security Agent or any Receiver pursuant to clause 17(h) and any person appointed as attorney of the Security Agent, Receiver or Delegate;

"Derivative Rights" includes:

- (a) allotments, rights, money or property arising at any time in relation to any Investments by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (b) dividends, distributions, interest and other income paid or payable in relation to any Investments; and
- (c) stock, shares and securities offered in addition to or in substitution for any Investments.

"Event of Default" has the meaning given to that term in the RMM Loan Agreement and the Loan Summary Document.

"Finance Document" has the meaning given to that term in each of the RMM Loan Agreement and the Loan Summary Document.

"Finance Party" means each of RateSetter, the Agent, the Matched Lenders and the Security Agent.

"Financial Collateral" in relation to a Chargor, means any of its Assets comprising financial collateral within the meaning of the Financial Collateral Regulations.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended.

"Fixed Security Asset" means an Asset for the time being comprised within an assignment created by Clause 4.1 (Assignments) or within a mortgage or fixed charge created by Clause 4.2 (Fixed security) or arising on crystallisation of a floating charge whether under Clause 5 (Crystallisation) or otherwise.

"Floating Charge Asset" means an Asset for the time being comprised within the floating charge created by Clause 4.3 (Creation of Floating Charge) but, in relation to Assets situated in Scotland and charged by clause 4.3(b) only in so far as concerns the floating charge over that Asset.

"Insurance Policy" means any contract or policy of insurance of a Chargor (including all cover notes) of whatever nature which are from time to time taken out by or on behalf of

that Chargor or (to the extent of its interest) in which that Chargor has an interest at any time but excluding any liability insurance and any directors' and officers' insurance.

"Intellectual Property" means patents (including supplementary protection certificates), utility models, registered and unregistered trade marks (including service marks), rights in passing off, copyright, database rights, registered and unregistered rights in designs (including in relation to semiconductor products) anywhere in the world and, in each case, any extensions and renewals of, and any applications for, such rights.

"Intellectual Property Rights" in relation to the Chargor, means all and any of its Intellectual Property and all other intellectual property rights, causes of action, interests and assets charged by it pursuant to Clauses 4.2(b)(xii) to 4.2(b)(xvii) (Fixed security) inclusive.

"Investments" means all shares, stock, debentures, debenture stock, bonds and other investments (as listed in Schedule 2, Part II of the Financial Services and Markets Act 2000), whether certificated or uncertificated and whether in registered or bearer form, including all depository interests representing any of them and including all rights and benefits of a capital nature accruing at any time in respect of any Investments by way of redemption, repayment, substitution, exchange, bonus or preference, option, rights or otherwise.

"Key Loan Characteristics" means that the Customer Loan: (i) is in a principal amount no less than £1,000 and no more than £7,500, (ii) is fully amortising with monthly repayments over a period of 12 to 60 months, and (iii) provides for fixed monthly repayments.

"Land" means freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade and tenant's fixtures).

"Liability" means any liability, damage, loss, costs, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise.

"Loan Agreement" means any and all loan agreement(s) between the Borrower and one or more of the Finance Parties arranged through RateSetter Platform together with any other present or future loans provided by any Finance Party to the Borrower;

"Loan Summary Document" means the loan summary document dated on or about the date hereof between George Banco Limited and the Agent (acting for itself and as agent for and on behalf of the RateSetter Lenders).

"Matched Lenders" means from time to time, any RateSetter Lender who has advanced credit to a Chargor pursuant to a Loan Agreement, who has assumed the rights of the lender under any Loan Agreement and/or who is entitled to payments of capital and/or interest pursuant to any Loan Agreement.

"Party" means a party to this Debenture.

"RateSetter Lenders" means those individuals or entities who have registered as investors on the RateSetter Platform.

"RateSetter Platform" means an automated system operated by or on behalf of RateSetter, the purpose of which is to facilitate the entering into of credit agreements between borrowers and RateSetter Lenders.

"Qualifying Loan" means loans (including any administration fee which is rolled into the amount of the loan) made by a Chargor to Customers which (i) are supported by consumer credit documentation that is in a form agreed by the Agent, RateSetter and a Chargor (ii) meet the Key Loan Characteristics, and (iii) meet the Underwriting Criteria.

"Receivables" in relation to each Chargor, means all sums of money receivable by it at any time consisting of or payable under or derived from any Assigned Agreement.

"Receiver" means any receiver or receiver and manager appointed under Clause 16 (Appointment of a Receiver or an Administrator) including (where the context requires or permits) any substituted receiver or receiver and manager.

"Relevant System" has the meaning given to that term by the Uncertificated Securities Regulations 2001 and includes the CREST system and also any other system or facility (whether established in the United Kingdom or elsewhere) providing means for the deposit of, and clearance of transactions in, Investments.

"Restricted IP" means any Intellectual Property owned by or licensed to a Chargor which, in each case, precludes either absolutely or conditionally that Chargor from creating a charge over its interest in that Intellectual Property and in respect of which consent has not yet been obtained pursuant to Clause 4.4(b) (Third Party Consents).

"Restricted Land" means any leasehold property held by a Chargor under a lease which precludes either absolutely or conditionally that Chargor from creating a mortgage or charge over its leasehold interest in that property and in respect of which consent has not yet been obtained pursuant to Clause 4.4(a) (Third Party Consents).

"RMM Loan Agreement" means the loan agreement dated on or about the date hereof between George Banco Limited and RateSetter.

"Secured Sums" means all present and future obligations and liabilities (whether actual or contingent and whether incurred jointly or severally and whether as principal or surety or in any other capacity whatsoever and whether incurred originally by each Chargor or by some other person) of each Chargor to all or any of the Beneficiaries under or in connection with each or any Finance Document, together with:

- (a) all costs, charges and expenses incurred by any Beneficiary in connection with the protection, preservation or enforcement of its rights under any Finance Document; and
- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Finance Document or the obligations and liabilities imposed under such documents.

"Specified Intellectual Property" means the Intellectual Property listed in Schedule 2 (Specified Intellectual Property).

"Specified Investments" means, in relation to each Chargor, all Investments which at any time:

- (a) represent a holding in a Subsidiary of that Chargor or an undertaking which would be its subsidiary undertaking if in section 1162(2)(a) of the Companies Act 2006 "30 per cent or more" were substituted for "a majority";
- (b) are held in the name of the Security Agent or its nominee or to its order; or

- (c) that Chargor has deposited certificates for with the Security Agent or which, if uncertificated, are held in an escrow or other account in favour of the Security Agent or its nominee,

but excluding the shares held by George Banco Limited in Georgefinance.com Ltd.

1.2 Interpretation: Unless the context otherwise requires, the interpretative provisions set out in the paragraphs below shall apply in this Debenture.

- (a) References to any Party shall be construed so as to include that Party's respective successors in title, permitted assigns and permitted transferees or successors.
- (b) "Including" and "in particular" shall not be construed restrictively but shall mean respectively "including, without prejudice to the generality of the foregoing" and "in particular, but without prejudice to the generality of the foregoing".
- (c) A "person" includes any person, firm, company, corporation, government, state or agency of a state or any association, joint venture, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing.
- (d) "Property" includes any interest (legal or equitable) in real or personal property and any thing in action.
- (e) "Variation" includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion and/or replacement however effected and "vary" and "varied" shall be construed accordingly.
- (f) "Writing" includes facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Debenture to be signed and "written" has a corresponding meaning.
- (g) Subject to Clause 31.4 (Variations), references to this Debenture or to any other document (including any Finance Document) include references to this Debenture or such other document as varied in any manner from time to time, even if changes are made to the composition of the parties to this Debenture or such other document or to the nature or amount of any facilities made available under such other document.
- (h) References to uncertificated Investments are to Investments the title to which can be transferred by means of an electronic or other entry in a Relevant System and references to certificated Investments are to Investments which are not uncertificated Investments.
- (i) The singular shall include the plural and vice versa and any gender shall include the other genders.
- (j) Clauses, paragraphs and Schedules shall be construed as references to Clauses and paragraphs of, and Schedules to, this Debenture.
- (k) Any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances.
- (l) Headings in this Debenture are inserted for convenience and shall not affect its interpretation.

- (m) A Default (other than an Event of Default) is "continuing" for the purposes of the Finance Documents if it has not been remedied or waived and an Event of Default for those purposes is "continuing" if it has not been waived.

2. COVENANT TO PAY

- 2.1 Covenant to pay: Each Chargor (as primary obligor and not merely as surety) covenants with the Security Agent (as trustee for the Beneficiaries) that it will, on the Security Agent's written demand, pay or discharge the Secured Sums when due.
- 2.2 Proviso: The covenants contained in this Clause and the security created by this Debenture shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law.
- 2.3 Demands:
 - (a) The making of one demand shall not preclude the Security Agent from making any further demands.
 - (b) Any third party dealing with the Security Agent or any Receiver shall not be concerned to see or enquire as to the validity of any demand under this Debenture.

3. APPOINTMENT OF SECURITY AGENT

- 3.1 Each of the Agent, by way of security and on behalf of the Matched Lenders and for itself, and RateSetter irrevocably appoints the Security Agent to be its attorney with full power to appoint, substitute and delegate, in its name and on its behalf in relation to this Debenture, and to execute, deliver and otherwise perfect any document, or perform any act:
 - (a) that may be required of RateSetter, the Agent or the Matched Lenders under or in relation to this Debenture; or
 - (b) that may be deemed by the Security Agent necessary or desirable for any purpose of this Debenture.
- 3.2 The Security Agent declares that it holds (and each of the other parties agree that the Security Agent shall hold) all rights, title and interests arising thereunder on trust for the Beneficiaries on the terms contained in this Debenture.
- 3.3 Each of the Agent, on behalf of itself and each of the Matched Lenders, and RateSetter authorises the Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Security Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

4. CREATION OF SECURITY

- 4.1 Security assignments: Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) to the Security Agent (as trustee for the Beneficiaries):
 - (a) the benefit of all of the Assigned Agreements; and

- (b) all of its rights, title and interest from time to time in respect of any sums payable to it pursuant to the Insurance Policies.

4.2 Fixed Security: Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, charges in favour of the Security Agent (as trustee for the Beneficiaries):

- (a) by way of legal mortgage, all Land in England and Wales now vested in it and registered at the Land Registry or which will be subject to first registration at the Land Registry upon the execution and delivery of this Debenture, in each case as described in Schedule 1 (Registered Land to be Mortgaged);
- (b) by way of fixed charge:
 - (i) with the exception of any Restricted Land, all other Land which is now, or in the future becomes, its property;
 - (ii) all Land which has ceased to fall within the definition of Restricted Land by virtue of receipt of the relevant landlord's consent to charge that Land, but only with effect from the date on which that consent is obtained;
 - (iii) all other interests and rights in or relating to Land or in the proceeds of sale of Land now or in the future belonging to it;
 - (iv) all plant and machinery now or in the future attached to any Land which, or an interest in which, is charged by it under the preceding provisions of this Clause 4.2;
 - (v) all rental and other income and all debts and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to Land;
 - (vi) all Specified Investments which are now its property, including all proceeds of sale derived from them;
 - (vii) all Specified Investments in which that Chargor may in the future acquire any interest (legal or equitable), including all proceeds of sale derived from them;
 - (viii) all Derivative Rights of a capital nature now or in the future accruing or offered in respect of its Specified Investments;
 - (ix) all Derivative Rights of an income nature now or in the future accruing or offered at any time in respect of its Specified Investments;
 - (x) all insurance or assurance contracts or policies now or in the future held by or otherwise benefiting it which relate to Fixed Security Assets or which are now or in the future deposited by it with the Security Agent, together with all its rights and interests in such contracts and policies (including the benefit of all claims arising and all money payable under them) apart from any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) in this Debenture;
 - (xi) all its goodwill and uncalled capital for the time being;
 - (xii) all Specified Intellectual Property belonging to it;

- (xiii) with the exception of any Restricted IP, all other Intellectual Property presently belonging to it, including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others;
- (xiv) with the exception of any Restricted IP, all Intellectual Property that may be acquired by or belong to it in the future, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others;
- (xv) with the exception of any Restricted IP, the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world;
- (xvi) all Intellectual Property (including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others, and the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world) which by virtue of obtaining third party consent to charge such Intellectual Property has ceased to fall within the definition of Restricted IP, but only with effect from the date on which that consent is obtained;
- (xvii) all its rights now or in the future in relation to trade secrets, confidential information and knowhow in any part of the world;
- (xviii) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in sub-paragraphs (b)(xii) to (xvii) inclusive of this Clause;
- (xix) all trade debts now or in the future owing to it;
- (xx) all other debts now or in the future owing to it;
- (xxi) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Security Asset except to the extent that such items are for the time being effectively assigned under Clause 4.1 (Assignments);
- (xxii) any beneficial interest, claim or entitlement it has to any pension fund now or in the future;
- (xxiii) all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Security Asset except to the extent that such rights, money or property are for the time being effectively assigned or charged by fixed charge under the foregoing provisions of this Debenture;
- (xxiv) all moneys at any time standing to the credit of the Bank Accounts, and the debt represented by any such credit balance; and
- (xxv) the benefit of all licences, consents and authorisations held in connection with its business or the use of any Asset and the right to recover and receive all compensation which may be payable in respect of them.

4.3 Creation of floating charge: Each Chargor, with full title guarantee, charges to the Security Agent (as trustee for the Beneficiaries) as security for the payment or discharge of all Secured Sums, by way of floating charge:

- (a) all its Assets, except to the extent that such Assets are for the time being effectively assigned by way of security by virtue of Clause 4.1 (Assignments) or charged by any fixed charge contained in Clause 4.2 (Fixed security), including any Assets comprised within a charge which is reconverted under Clause 5.4 (Reconversion); and
- (b) without exception, all its Assets in so far as they are for the time being situated in Scotland,

but in each case so that that C hargor shall not create any Security over any such Floating Charge Asset other than the Security created pursuant to this Debenture (whether having priority over, or ranking pari passu with or subject to, this floating charge) or take any other step referred to in Clause 8 (Negative pledge and other restrictions) with respect to any such Floating Charge Asset, and that C hargor shall not, without the consent of the Security Agent, sell, transfer, part with or dispose of any such Floating Charge Asset (except as permitted by any Finance Document).

4.4 Third Party Consents:

- (a) If a C hargor has an interest in any Restricted Land, that C hargor shall:
 - (i) within 10 Business Days of its execution of this Debenture, use its reasonable endeavours to obtain the consent of each landlord of such Restricted Land to the creation of the charges envisaged by Clause 3.2(b)(ii) (Fixed Security) (including paying the reasonable costs and any reasonable consent fee of any such landlord);
 - (ii) on request, keep the Security Agent informed of the progress of its negotiations with any such landlord; and
 - (iii) provide the Security Agent with a copy of each such consent promptly after its receipt.
- (b) If a C hargor has an interest in any Restricted IP, that C hargor shall:
 - (i) within 10 Business Days of its execution of this Debenture, use its reasonable endeavours to obtain the consent of each counterparty whose consent is required to the creation of the charges over such Restricted IP envisaged by sub-paragraph (b)(xvi) of Clause 3.2 (Fixed Security) (including paying the reasonable costs and any reasonable consent fee of any such counterparty);
 - (ii) on request, keep the Security Agent informed of the progress of its negotiations with any such counterparty; and
 - (iii) provide the Security Agent with a copy of each such consent promptly after its receipt.

4.5 Notices:

- (a) Each C hargor shall, promptly upon request by the Security Agent following the occurrence of a Declared Default, execute a notice of assignment in respect of each Assigned Agreement in substantially the form set out in Part 1 of Schedule 3 (Forms of Notice of Assignment/Charge), deliver each notice to the relevant Customer, and provide evidence satisfactory to the Security Agent (acting reasonably) of the delivery of that notice.

- (b) Each Chargor shall, upon the request of the Security Agent, execute a notice of charge to the insurers (and any broker) of the security over the Insurance Policies and their proceeds created by this Debenture in substantially the form set out in Part 2 of Schedule 3 (Forms of Notice of Assignment/Charge) and, as soon as reasonably practicable, serve that notice on each such insurer and broker.
- (c) Each Chargor shall, on the date of this Debenture, give notice to the Account Bank substantially in the form set out in Part 3 of Schedule 3 (Forms of Notice of Assignment/Charge) and shall use its best endeavours to procure that the Account Bank signs and delivers the form of acknowledgement to that notice.
- (d) Each Chargor shall use all reasonable endeavours (including expending reasonable costs and expenses) to procure the execution and delivery to the Security Agent of acknowledgments by the addressees of the notices delivered to them pursuant to paragraphs (a), (b) and (c) above.

4.6 Priority:

- (a) Any fixed Security created by a Chargor and subsisting in favour of the Security Agent shall (save as the Security Agent may otherwise declare at or after the time of its creation) have priority over the floating charge created by Clause 4.3 (Creation of floating charge).
- (b) Any Security created in the future by a Chargor (except in favour of the Security Agent) shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created by this Debenture (except to the extent mandatorily preferred by law).

4.7 Application to the Land Registry:

Each Chargor:

- (a) in relation to each register of title of any present and future Land of that Chargor which is charged to the Security Agent under this Debenture or pursuant to the further assurance undertakings in any Finance Document, consents to the Security Agent (or its solicitors) at any time submitting to the Land Registry any and all of the following (or its equivalent at any time):
 - (i) a form AP1 (application to change the register) in respect of the security created by this Debenture;
 - (ii) a form AN1 (application to enter an agreed notice) in respect of the security created by this Debenture;
 - (iii) a form RX1 (application to register a restriction) in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [Chargee] referred to on the charges register or their conveyancer."; and
 - (iv) a form CH2 (application to enter an obligation to make further advances); and
- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by Clause

4.2 (Fixed security) at its own expense, immediately following its execution of this Debenture.

5. CRYSTALLISATION

5.1 Crystallisation by notice: The floating charge created by each Chargor in Clause 4.3 (Creation of floating charge) may, subject to Clause 5.5 (Moratorium Assets), be crystallised into a fixed charge by notice in writing given at any time by the Security Agent to the relevant Chargor if:

- (a) a Declared Default has occurred and is continuing;
- (b) a Default under paragraph 6 (Insolvency), paragraph 7 (Insolvency proceedings) or paragraph 8 (Creditors' process) of Schedule 5 (Events of Default) to the Loan Summary Document or paragraph 6 (Insolvency), paragraph 7 (Insolvency proceedings) or paragraph 8 (Creditors' process) of Schedule 5 (Events of Default) to the RMM Loan Agreement (as applicable) has occurred and is continuing; or
- (c) the Security Agent in good faith considers that any of the Assets expressed to be charged to the Security Agent by this Debenture may be in danger of being seized or sold pursuant to any form of legal process; or
- (d) a circumstance envisaged by paragraph (a) of Clause 5.2 (Automatic Crystallisation) occurs and the Security Agent in good faith considers that such crystallisation is desirable in order to protect the priority of its security.

Such crystallisation shall take effect over the Floating Charge Assets or class of Assets specified in the notice. If no Floating Charge Assets are specified, it shall take effect over all Floating Charge Assets of the relevant Chargor.

5.2 Automatic crystallisation: If, without the Security Agent's prior written consent:

- (a) a Chargor, in contravention of any Finance Document, resolves to take or takes any step to:
 - (i) charge or otherwise encumber any of its Floating Charge Assets;
 - (ii) create a trust over any of its Floating Charge Assets; or
 - (iii) dispose of any Floating Charge Asset (except by way of sale in the ordinary course of that Chargor's business to the extent that such disposal is not otherwise prohibited by any Finance Document); or
- (b) any person resolves to take or takes any step to seize or sell any Floating Charge Asset pursuant to any form of legal process; or
- (c) an Event of Default under paragraph 6 (Insolvency), paragraph 7 (Insolvency proceedings) or paragraph 8 (Creditors' process) of Schedule 5 (Events of Default) to the Loan Summary Document or paragraph 6 (Insolvency), paragraph 7 (Insolvency proceedings) or paragraph 8 (Creditors' process) of Schedule 5 (Events of Default) to the RMM Loan Agreement has occurred,

then the floating charge created by Clause 4.3 (Creation of floating charge) shall, subject to Clause 5.5 (Moratorium Assets), be automatically and instantly crystallised (without the

necessity of notice) into a fixed charge over such Floating Charge Asset or, in the case of paragraph (c) above into a fixed charge over all Floating Charge Assets of that Chargor.

5.3 Future Floating Charge Assets: Except as otherwise stated in any notice given under Clause 5.1 (Crystallisation by notice) or unless the crystallisation relates to all its Floating Charge Assets, prospective Floating Charge Assets acquired by a Chargor after crystallisation has occurred under Clause 5.1 (Crystallisation by notice) or Clause 5.2 (Automatic crystallisation) shall become subject to the floating charge created by Clause 4.3 (Creation of floating charge), so that the crystallisation shall be effective only as to the specific Floating Charge Assets affected by the crystallisation.

5.4 Reconversion: Any charge which has crystallised under Clause 5.1 (Crystallisation by notice) or Clause 5.2 (Automatic crystallisation) may, by notice in writing given at any time by the Security Agent to the relevant Chargor, be reconverted into a floating charge in relation to the Assets specified in such notice.

5.5 Moratorium Assets: The floating charge created by each Chargor in Clause 4.3 (Creation of floating charge) may not be converted into a fixed charge on Assets for which a moratorium is in force if and for so long as such conversion would breach paragraph 13 and/or paragraph 43 of Schedule A1 of the Insolvency Act 1986.

6. TITLE DOCUMENTS, INSURANCE POLICIES AND TRANSFERS

6.1 Documents: Subject to the rights of any prior chargee and except as otherwise expressly agreed in writing by the Security Agent, each Chargor shall:

(a) deposit with the Security Agent, and the Security Agent shall be entitled to retain during the continuance of the security created by this Debenture, all deeds and documents of title relating to its Fixed Security Assets that are necessary to give effect to or to perfect the fixed security described in Clause 4.2 (Fixed Security), including:

- (i) certificates of registration;
- (ii) certificates constituting or evidencing Specified Investments and Specified Intellectual Property and black stock transfer forms in respect of Specified Investments;
- (iii) all deeds and documents of title relating to any Intellectual Property Right which, by virtue of obtaining third party consent pursuant to paragraph (b) of Clause 4.4 (Third Party Consents) has ceased to fall within the definition of Restricted IP; and
- (iv) all deeds and documents of title relating to any Land which by virtue of receipt of the relevant landlord's consent to charge that Land pursuant to paragraph (a) of Clause 4.4 (Third Party Consents) has ceased to fall within the definition of Restricted Land;

(b) as soon as reasonably practicable, and in any event within 5 Business Days of request, execute and deliver to the Security Agent such documents and transfers and give such instructions and perform such other acts as the Security Agent may reasonably require at any time to constitute or perfect an equitable charge or legal mortgage (at the Security Agent's option) over its Specified Investments, including any eligible to participate in a Relevant System.

6.2 Insurance:

If any default shall be made by a Chargor at any time in effecting or maintaining any insurance required by the terms of the Finance Documents, or if a Chargor fails within 5 Business Days of demand to produce such evidence as the Security Agent reasonably requires to prove such compliance (including copies of insurance policies and/or premium receipts), then:

- (a) the Security Agent may take out or renew such insurances in such sums as the Security Agent reasonably considers to be appropriate (at that Chargor's expense); and
- (b) all money expended by the Security Agent under this provision shall be recoverable by the Security Agent in accordance with clause 4 (Costs and Expenses) of the Loan Summary Document or clause 4 (Costs and Expenses) of the RMM Loan Agreement (as applicable).

7. RECEIVABLES

- 7.1 Bank Accounts: Each Chargor shall collect and realise all its Receivables and, immediately on receipt, pay all money so collected into its Bank Accounts. Each Chargor shall, pending such payment, hold all money so received upon trust for the Security Agent.
- 7.2 Restriction: No Chargor shall purport, without the Security Agent's prior written consent, to charge, factor, discount, assign, postpone, subordinate, release or waive its rights in respect of any Receivable in favour of any person or do or omit to do anything which might delay or prejudice its full recovery unless such action is permitted under the Finance Documents.
- 7.3 Factoring: If the Security Agent releases, waives or postpones its rights in respect of any Receivable to enable a Chargor to factor or discount them to any person (the "factor"), the charges created by this Debenture shall in all other respects remain in full force and effect. In particular, all amounts becoming due to that Chargor from the factor and any Receivables reassigned, or due to be reassigned to that Chargor, shall be subject to the charges created by this Debenture, subject only to any defences or rights of set-off which the factor may have against that Chargor.

8. NEGATIVE PLEDGE AND OTHER RESTRICTIONS

No Chargor shall:

- (a) create, or agree or attempt to create, or permit to subsist, any Security or any trust over any of its Assets; or
- (b) sell, assign, lease, license or sub-license, or grant any interest in, any of its Fixed Security Assets, or part with possession or ownership of them, or purport or agree to do so,

except with the prior written consent of the Security Agent or as specifically permitted by any Finance Document.

9. RIGHT OF APPROPRIATION

- 9.1 Financial Collateral Arrangement: The Parties acknowledge and intend that the charges over each Chargor's Financial Collateral provided under or pursuant to this Debenture will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations.

9.2 Right of Appropriation: The Security Agent may, on or at any time after the security constituted by this Debenture becomes enforceable in accordance with its terms, by notice in writing to the relevant Chargor appropriate with immediate effect all or any of its Financial Collateral charged by this Debenture which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Sums, whether such Assets are held by the Security Agent or otherwise.

9.3 Value: The value of any Financial Collateral appropriated under Clause 9.2 shall be:

- (a) in the case of cash, its face value at the time of appropriation; and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as the Security Agent may reasonably select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent;

as converted, where necessary, into sterling at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent.

9.4 Surplus or Shortfall: The Security Agent will account to each Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Sums and each Chargor shall remain liable to the Security Agent for any amount by which the value of the appropriated Assets is less than the Secured Sums.

9.5 Confirmation: Each Chargor agrees that the method of valuing Financial Collateral under Clause 9.3 is commercially reasonable.

10. CONTINUING SECURITY

This Debenture shall be a continuing security for the Beneficiaries, notwithstanding any intermediate payment or settlement of accounts or other matter whatever, and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien or other rights exercisable by any Beneficiary as banker against each Chargor or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by any Beneficiary.

11. LAND

11.1 Positive Covenants: Each Chargor covenants that it shall:

- (a) Compliance with lease: punctually pay the rents reserved by and observe and perform in all material respects the other material covenants, agreements or obligations on its part to be observed and performed which are contained in any lease, agreement for lease, tenancy agreement or licence to occupy relating to any Land and, to the extent that it makes commercial sense to do so, enforce the observance and performance by the landlord or licensor of its material obligations under any such document; and
- (b) Acquisitions: notify the Security Agent promptly following its acquisition of any Land.

11.2 Supplemental Legal Mortgage: if, at any time and from time to time, a Chargor has any interest in any Land which is registered at the Land Registry (or which would be subject to

first registration at the Land Registry on the creation of a mortgage over it), but which is not Restricted Land at that time, and which (for any reason) is also not subject to a legal mortgage under this Debenture at that time, that Chargor will, to the extent required to do so by (and in accordance with) paragraph 19 (Further assurance) of Part B (General Covenants) of Schedule 4 (Covenants) to the Loan Summary Document or paragraph 19 (Further assurance) of Part B (General Covenants) of Schedule 4 (Covenants) to the RMM Loan Agreement, promptly execute and deliver to the Security Agent a supplemental legal mortgage, in the agreed terms, over that Land as security for the Secured Sums.

11.3 Negative covenants: No Chargor shall (without the prior written consent of the Security Agent):

- (a) No onerous obligations: enter into any onerous or restrictive obligation affecting its Land or create or permit to arise any overriding interest or any easement or right whatever in or over it which, in each case, would be reasonably likely to affect materially and adversely its value or the value of the Security constituted by this Debenture over it; or
- (b) No sharing: share the occupation of any Land with any other person (or agree to do so) to the extent that to do so would materially adversely affect (i) the value of such Land; or (ii) the interests of the Beneficiaries.

11.4 Consolidation of Mortgages: Section 93 of the Law of Property Act 1925, dealing with the consolidation of mortgages, shall not apply to this Debenture.

12. INTELLECTUAL PROPERTY RIGHTS

12.1 Filings and registrations:

- (a) Each Chargor shall, as soon as reasonably practicable, file and register at any relevant patent, trade mark or other intellectual property register or authority as may be available for the purpose (to the extent that such register or authority is located in the jurisdiction of incorporation of that Chargor and including, if appropriate the European Patents Office and Office of Harmonisation for the Internal Market) in such name as may be required by the law of the place of registration, such of the following as must be filed or registered there in order to register or perfect the Security created under this Debenture or to give notice to third parties to protect the priority of the security created by this Debenture:
 - (i) this Debenture;
 - (ii) if so requested by the Security Agent, all licences of Intellectual Property granted to or acquired by it; and
 - (iii) all future assignments, mortgages and/or charges of Intellectual Property Rights made pursuant to this Debenture,

and, to the extent necessary to register or perfect the Security created under this Debenture or to give notice to third parties to protect the priority of the security created by this Debenture, maintain or renew such filings and registrations where applicable.

- (b) Each Chargor irrevocably authorises the Security Agent to effect such registrations, renewals, payments and notifications at the expense of the relevant Chargor as shall, in the reasonable opinion of the Security Agent, be necessary to

register the Security created by this Debenture at any patent, trade mark or other intellectual property register or authority as may be available for the purpose (to the extent that such register or authority is located in the jurisdiction of incorporation of the relevant Chargor and including, if appropriate, at the European Patents Office or Office of Harmonization for the Internal Market).

12.2 Negative covenants: Without the prior written consent of the Security Agent, no Chargor shall:

- (a) Trade marks: amend the specification of any registered trade mark included in its Intellectual Property Rights; or
- (b) Patents: amend the specification or drawings referred to in any granted patent.

13. SPECIFIED INVESTMENTS

13.1 Voting and other rights: Each Chargor undertakes not to exercise any voting powers or rights in a way which would be reasonably likely to prejudice the value of its Specified Investments or otherwise to jeopardise the Security constituted by this Debenture over them.

13.2 Before Enforcement: Unless and until the occurrence of a Declared Default:

- (a) all voting powers and rights attaching to Specified Investments (including Derivative Rights) belonging to a Chargor shall continue to be exercised by that Chargor for so long as it remains their registered owner and that Chargor shall not permit any person other than that Chargor, the Security Agent or the Security Agent's nominee to be registered as holder of such Specified Investments or any part of them; and
- (b) if Specified Investments belonging to a Chargor are registered in the name of the Security Agent or the Security Agent's nominee, all voting powers and rights attaching to them (including Derivative Rights) shall be exercised by the Security Agent or the Security Agent's nominee in accordance with instructions in writing from time to time received from that Chargor and, in the absence of any such instructions, the Security Agent or the Security Agent's nominee shall not exercise any such rights.

13.3 After Enforcement: At any time after the occurrence of a Declared Default:

- (a) the Security Agent may, for the purpose of protecting its interests in relation to the Secured Sums, exercise (but is not obliged to exercise) in the name of the relevant Chargor or otherwise and without any further consent or authority on the part of that Chargor, all voting powers and rights attaching to the Specified Investments (including Derivative Rights) as it sees fit, including any rights to nominate or remove a director, as if the Security Agent were the sole beneficial owner of the Specified Investments;
- (b) all Derivative Rights shall, if received by the relevant Chargor or the Security Agent's nominee, be held on trust for and forthwith paid or transferred to the Security Agent; and
- (c) each Chargor shall (and shall procure that the Security Agent's nominees shall) accept short notice for and attend any shareholders meetings relating to the Specified Investments, appoint proxies and exercise voting and other rights and powers exercisable by the holders of the Specified Investments as the Security

Agent may direct from time to time as it sees fit for the purpose of protecting its interests in relation to the Secured Sums.

For the avoidance of doubt, unless and until the Security Agent takes any steps to exercise any voting powers or rights attaching to the Specified Investments after becoming entitled (but not obliged) to do so under this Clause, all such powers and rights remain with each Chargor.

- 13.4 Negative covenant: Each Chargor covenants with the Security Agent that it will not, without the prior written consent of the Security Agent consent to its Specified Investments being consolidated, sub-divided or converted or any rights attached to them being varied.

14. OPENING OF NEW ACCOUNTS

- 14.1 Creation of new account: On receiving notice that a Chargor has granted Security over or otherwise encumbered or disposed of any of its Assets in contravention of any Finance Document, a Beneficiary may rule off all its accounts and open new accounts with that Chargor.

- 14.2 Credits to new account: If a Beneficiary does not open a new account immediately on receipt of such notice, it shall nevertheless be treated as if it had done so on that day. From that day, all payments made by a Chargor to that Beneficiary shall be treated as having been credited to a new account and shall not operate to reduce the amount owing from that Chargor to such Beneficiary at the time when it received such notice.

15. POWERS OF SALE, LEASING AND ACCEPTING SURRENDERS

- 15.1 Section 103 of the LPA: Section 103 of the Law of Property Act 1925 shall not apply to this Debenture, and the statutory power of sale shall arise on, and be exercisable at any time after, the execution of this Debenture. However, the Security Agent shall not exercise such power of sale until this Debenture has become enforceable.

- 15.2 Powers of sale extended: The statutory powers of sale, leasing and accepting surrenders exercisable by the Security Agent by virtue of this Debenture are extended so as to authorise the Security Agent (whether in its own name or that of a Chargor) to:

- (a) grant a lease of any Land vested in that Chargor or in which it has an interest on such terms and conditions as the Security Agent shall think fit; and
- (b) sever any fixtures from Land vested in that Chargor and sell them separately.

16. APPOINTMENT OF A RECEIVER OR AN ADMINISTRATOR

- 16.1 Appointment: Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Debenture and the floating charges contained in this Debenture. At any time after:

- (a) the occurrence of a Declared Default;
- (b) in relation to a Chargor, a step or proceeding is taken, or a proposal made, for the appointment of an administrator or for a voluntary arrangement under Part I of the Insolvency Act 1986; or
- (c) a request has been made by a Chargor to the Security Agent for the appointment of a Receiver or an administrator over its Assets or in respect of that Chargor,

then this Debenture shall become enforceable and, notwithstanding the terms of any other agreement between a Chargor and any Beneficiary, the Security Agent may (unless precluded by law) appoint in writing any person or persons to be a receiver or a receiver and manager (or receivers or receivers and managers) of all or any part of the Assets of that Chargor or, an administrator or administrators of that Chargor, as the Security Agent may choose in its entire discretion.

- 16.2 Power to act separately: Where more than one Receiver or administrator is appointed, the appointees shall have power to act separately unless the Security Agent shall specify to the contrary.
- 16.3 Receiver's remuneration: The Security Agent may from time to time determine the remuneration of a Receiver.
- 16.4 Removal of Receiver: The Security Agent may (subject to section 45 of the Insolvency Act 1986) remove a Receiver from all or any of the Assets of which he is the Receiver.
- 16.5 Further appointments of a Receiver: Such an appointment of a Receiver shall not preclude:
- (a) the Security Agent from making any subsequent appointment of a Receiver over all or any Assets over which a Receiver has not previously been appointed or has ceased to act; or
 - (b) the appointment of an additional Receiver to act while the first Receiver continues to act.
- 16.6 Receiver's agency: The Receiver shall be the agent of each Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until the relevant Chargor goes into liquidation, after which time he shall act as principal and shall not become the agent of the Security Agent or any other Beneficiary.

17. POWERS OF A RECEIVER

The Receiver may exercise, in relation to each Chargor over whose Assets he is appointed, all the powers, rights and discretions set out in Schedules 1 and 2 to the Insolvency Act 1986 and in particular, by way of addition to and without limiting such powers, the Receiver may, with or without the concurrence of others:

- (a) sell, lease, let, license, grant options over and vary the terms of, terminate or accept surrenders of leases, licences or tenancies of, all or any of the Assets of the relevant Chargor, without the need to observe any of the provisions of Sections 99 and 100 of the Law of Property Act 1925, in such manner and generally on such terms and conditions as he shall think fit in his absolute and unfettered discretion and any such sale or disposition may be for cash, Investments or other valuable consideration (in each case payable in a lump sum or by instalments) and carry any such transactions into effect in the name of and on behalf of that Chargor;
- (b) promote the formation of a Subsidiary of each Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Assets of that Chargor;
- (c) sever any fixtures from Land and/or sell them separately;

- (d) exercise all voting and other rights attaching to Investments owned by each Chargor;
- (e) arrange for the purchase, lease, licence or acquisition of all or any Assets of a Chargor by any Subsidiary contemplated by paragraph (b) above on a basis whereby the consideration may be for cash, Investments, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise, whether or not secured on the assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or by instalments over such period as the Receiver may think fit;
- (f) make any arrangement or compromise with any Beneficiary or others as he shall think fit;
- (g) make and effect all repairs, renewals and improvements to the Assets of a Chargor and effect, renew or increase insurances on such terms and against such risks as he shall think fit;
- (h) appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may determine;
- (i) redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor and the money so paid shall be deemed an expense properly incurred by the Receiver;
- (j) pay the proper administrative charges of any Beneficiaries in respect of time spent by their agents and employees in dealing with matters raised by the Receiver or relating to the receivership of each Chargor;
- (k) commence and/or complete any building operations upon any Land of each Chargor and apply for and obtain any planning permissions, building regulation consents or licences, in each case as he may in his absolute discretion think fit;
- (l) take all steps necessary to effect all registrations, renewals, applications and notifications as the Receiver may in his discretion think prudent to maintain in force or protect any of a Chargor's Intellectual Property Rights; and
- (m) do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the relevant Assets.

18. POWER OF ATTORNEY

18.1 Appointment of attorney: Each Chargor, by way of security and to more fully secure the performance of its obligations under this Debenture, hereby irrevocably appoints the Security Agent and separately any nominee and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise (whether or not a Receiver or administrator has been appointed) to:

- (a) do anything which that Chargor is obliged to do (but has not done within 5 Business Days of being notified by the Security Agent of such failure and being requested to comply) in accordance with this Debenture, including to execute and

deliver and otherwise perfect any agreement, assurance, deed, instrument or document; and

- (b) enable the Security Agent or any such nominee and/or Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Debenture or by statute in relation to this Debenture or the Assets charged, or purported to be charged, by it.

18.2 Ratification: Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to his appointment under this clause.

18.3 Sums recoverable: All sums expended by the Security Agent, any nominee and/or any Receiver under this Clause 18 shall be recoverable from each Chargor under the terms of clause 4 (Costs and Expenses) of the RMM Loan Agreement or clause 4 (Costs and Expenses) of the Loan Summary Document (as applicable).

19. OTHER POWERS EXERCISABLE BY THE SECURITY AGENT

19.1 Receiver's powers: All powers of a Receiver conferred by this Debenture may be exercised by the Security Agent after this Debenture has become enforceable. In that event, paragraph (i) of Clause 17 (Powers of Receiver) shall be read and construed as if the words "be charged on the Assets of a Chargor" were substituted for the words "be deemed an expense properly incurred by the Receiver".

19.2 Receipt of debts: Following the occurrence of a Declared Default, the Security Agent, its nominee or any manager, officer or agent of the Security Agent is hereby irrevocably empowered to:

- (a) receive all trade debts and other debts and claims which may be assigned to the Security Agent pursuant to this Debenture and/or under any other Security Document;
- (b) on payment give an effectual discharge for them and on non-payment to take and institute (if the Security Agent in its sole discretion so decides) all steps and proceedings either in the name of a Chargor or in the name of the Security Agent for their recovery; and
- (c) agree accounts and make allowances and give time to any surety.

Each Chargor ratifies and confirms whatever the Security Agent or any manager or officer of the Security Agent shall do or purport to do under this clause.

19.3 Security Agent's powers: The Security Agent shall have no liability or responsibility to any Chargor arising out of the exercise or non-exercise of the powers conferred on it by this Clause 19, except for gross negligence or wilful default.

19.4 No duty of enquiry: The Security Agent need not enquire as to the sufficiency of any sums received by it in respect of any debt or claim or make any claim or take any other action to collect in or enforce them.

20. FURTHER ASSURANCE

20.1 Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

- (a) to perfect the Security created or intended to be created under or evidenced by this Debenture (which may include the execution of a mortgage, charge, assignment or other security over all or any of the assets which are, or are intended to be, the subject of the Security) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law;
 - (b) to confer on the Security Agent or confer on the Finance Parties Security Interests over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security Interests intended to be conferred by or pursuant to this Debenture; and/or
 - (c) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security.
- 20.2 Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security Interests conferred or intended to be conferred on the Security Agent or the Finance Parties by or pursuant to the Finance Documents.
- 21. APPLICATION OF MONEY RECEIVED BY THE SECURITY AGENT OR A RECEIVER
 - 21.1 Order of priority: Any money received or realised under the powers conferred by this Debenture shall be paid or applied in accordance with the terms of the Deed of Priority.
 - 21.2 Suspense account: Until all the Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Security Agent may place and keep to the credit of a suspense account any money received from or realised in respect of each Chargor's liability under this Debenture. The Security Agent shall have no intermediate obligation to apply such money in or towards the discharge of any of the Secured Sums. Amounts standing to the credit of any such suspense account shall bear interest at a rate considered by the Security Agent in good faith to be a fair market rate.
 - 21.3 Discretion to apply: Until all Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Security Agent may refrain from applying or enforcing any other moneys, security or rights held by it in respect of the Secured Sums or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its unfettered discretion.
- 22. PROTECTION OF THIRD PARTIES
 - 22.1 No duty to enquire: No purchaser from, or other person dealing with, the Security Agent, its nominee or any Receiver or administrator appointed under this Debenture shall be concerned to enquire whether any of the powers which the Security Agent has exercised or purported to exercise has arisen or become exercisable, or whether this Debenture has become enforceable, or whether any nominee, Receiver or administrator has been validly appointed, or whether any event or cause has happened to authorise the Security Agent, any nominee or a Receiver or administrator to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.
 - 22.2 Receipt: The receipt of the Security Agent shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of the Security Agent.

23. PROTECTION OF THE SECURITY AGENT, ANY NOMINEE AND RECEIVER

- 23.1 Limitation: Neither the Security Agent nor any nominee nor Receiver shall be liable in respect of any Liability which arises out of the exercise or the purported exercise of, or the failure to exercise, any of their respective powers under or by virtue of this Debenture, except if and in so far as such Liability results from its own gross negligence or wilful default.
- 23.2 Entry into possession: Without prejudice to the generality of Clause 23.1 (Limitation), neither the Security Agent, any nominee nor any Receiver shall be liable to account as mortgagee in possession or otherwise for any sum not actually received by it or him respectively. If and whenever the Security Agent, or any nominee enters into possession of any Assets, it shall be entitled at any time at its discretion to go out of possession.

24. SECURITY AGENT

- 24.1 Security Agent as trustee: The Security Agent declares itself to be a trustee of this Debenture (and any other Security created in its favour pursuant to this Debenture) for the Beneficiaries.
- 24.2 The rights and obligations of the Security Agent are as set out in Schedule 4.
- 24.3 Trustee Act 2000: The Parties agree that the Security Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.
- 24.4 No partnership: Nothing in this Debenture shall constitute or be deemed to constitute a partnership between any of the Beneficiaries and the Security Agent.
- 24.5 Indemnity: Each Chargor jointly and severally shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:
- (a) any failure by the Borrower to comply with its obligations under clause 4 (Costs and Expenses) of the Loan Summary Document and clause 4 (Costs and Expenses) of the RMM Loan Agreement;
 - (b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
 - (c) the taking, holding, protection or enforcement of the Security;
 - (d) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Agent and each Receiver and Delegate by the Finance Documents or by law;
 - (e) any default by any Obligor in the performance of any of the obligations expressed to be assumed by it in the Finance Documents; or
 - (f) acting as Security Agent, Receiver or Delegate under the Finance Documents or which otherwise relates to any of the Charged Property (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

The Security Agent and every Receiver and Delegate may, in priority to any payment to RateSetter, the Agent or any Matched Lender, indemnify itself out of the Charged

Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 24.5.

25. INTEREST ON OVERDUE AMOUNTS

Any amount not paid in accordance with this Debenture when due shall carry interest at the rate and in accordance with the terms contained in the relevant Finance Document in relation to overdue sums.

26. SET-OFF

After the occurrence of an Event of Default which is continuing, the Security Agent may (but is not obliged to) retain any money it is holding (in any capacity) standing to the credit of a Chargor in any currency upon any account or otherwise (whether or not in that Chargor's name) as cover for any Secured Sums and/or at any time or times without notice to that Chargor set off all or any of such money against all or such part of the Secured Sums due, owing or incurred by that Chargor as the Security Agent may select. If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

27. CURRENCY INDEMNITY

If, for any reason, any amount payable to a Beneficiary by a Chargor under this Charge is paid or recovered in a currency other than that in which it is required to be paid (the "contractual currency"), then, to the extent that the payment to such Beneficiary (when converted into the contractual currency at its then applicable rate of exchange) falls short of the amount payable in the contractual currency, that Chargor shall, as a separate and independent obligation, fully indemnify such Beneficiary on demand against the amount of the shortfall.

28. TRANSFER BY A BENEFICIARY

Any Beneficiary may at any time assign and transfer all or any of its rights in relation to this Debenture to any person or otherwise grant an interest in them to any person to the extent that it is permitted to transfer its rights under the terms of the Finance Documents.

29. RELEASE OF SECURITY

29.1 Redemption: Subject to Clause 29.2 (Avoidance of Payments), if all Secured Sums have been irrevocably paid in full and none of the Beneficiaries are under any further actual or contingent liability to make advance or provide other financial accommodation to any person under any Finance Document, the Security Agent will (at the request and cost of either Chargor), execute and do all such reasonable acts as may be necessary to release the Assets from the Security constituted by this Debenture.

29.2 Avoidance of Payments: If the Security Agent considers in good faith that any amount received in payment or purported payment of the Secured Sums is capable of being avoided or reduced by virtue of any insolvency, bankruptcy, liquidation or other similar laws, the liability of each Chargor under this Debenture and the Security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

30. THIRD PARTY RIGHTS

30.1 Directly enforceable rights: Pursuant to the Contracts (Rights of Third Parties) Act 1999:

- (a) the provisions of Clause 26 (Set-off), Clause 27 (Currency Indemnity) and Clause 28 (Transfer by a Beneficiary) shall be directly enforceable by a Beneficiary;
- (b) the provisions of Clause 16 (Appointment of a Receiver or an Administrator) to Clause 23 (Protection of the Security Agent and Receiver) inclusive shall be directly enforceable by any nominee or Receiver; and
- (c) the provisions of Clause 22 (Protection of third parties) shall be directly enforceable by any purchaser.

30.2 Exclusion of Contracts (Rights of Third Parties) Act 1999: Save as otherwise expressly provided in Clause 30.1 (Directly enforceable rights), no person other than a Party shall have any right by virtue of either the Contracts (Rights of Third Parties) Act 1999 or any other provision of English law under which rights might accrue to persons other than a Party, to enforce any term (express or implied) of this Debenture. This clause does not apply to the Matched Lenders.

30.3 Rights of the Parties to vary: The Parties (or each Chargor and the Security Agent (on behalf of the Beneficiaries)) may by agreement vary any term of this Debenture (including this Clause 30) without the necessity of obtaining any consent from any other person.

31. FORBEARANCE, SEVERABILITY, VARIATIONS AND CONSENTS

31.1 Delay etc: All rights, powers and privileges under this Debenture shall continue in full force and effect, regardless of any Beneficiary, nominee or Receiver exercising, delaying in exercising or omitting to exercise any of them.

31.2 Severability: No provision of this Debenture shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable.

31.3 Illegality, invalidity, unenforceability: Any provision of this Debenture which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Debenture.

31.4 Variations: No variation of this Debenture shall be valid and constitute part of this Debenture, unless such variation shall have been made in writing and signed by the Security Agent (on behalf of the Beneficiaries) and each Chargor or by all Parties.

31.5 Consents: Save as otherwise expressly specified in this Debenture, any consent of the Security Agent may be given absolutely or on any terms and subject to any conditions as the Security Agent may determine in its entire discretion.

32. COUNTERPARTS

This Debenture may be executed in any number of counterparts, and this has the same effect as if the signatures were on a single copy of this Debenture.

33. NOTICES

Any communications to be made under or in connection with this Debenture shall be made in accordance with the notice provisions of the RMM Loan Agreement and the Loan Summary Document (as applicable).

34. GOVERNING LAW

This Debenture and all non-contractual obligations arising in any way whatsoever out of or in connection with this Debenture shall be governed by, construed and take effect in accordance with English law.

35. ENFORCEMENT

- (a) The courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or any claim for set-off) or the legal relationships established by this Debenture (a "Dispute"), only where such Dispute is the subject of proceedings commenced by a Chargor.
- (b) Where a Dispute is the subject of proceedings commenced by one or more Beneficiaries, the Beneficiaries are entitled to bring such proceedings in any court or courts of competent jurisdiction (including but not limited to the courts of England). If a Chargor raises a counter-claim in the context of proceedings commenced by one or more of the Beneficiaries, that Chargor shall bring such counter-claim before the court seized of the Beneficiary's claim and no other court.
- (c) The commencement of legal proceedings in one or more jurisdictions shall not, to the extent allowed by law, preclude any Beneficiary from commencing legal actions or proceedings in any other jurisdiction, whether concurrently or not.
- (d) To the extent allowed by law, each Chargor irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal proceeding, and any claim it may now or hereafter have that any such legal proceeding has been brought in an inappropriate or inconvenient forum.

THIS DEBENTURE has been executed by each Chargor as a deed and signed by the Security Agent, the Agent and RateSetter and it has been delivered and shall take effect on the date stated at the beginning of this document.

SCHEDULE 1

Registered Land to be mortgaged

None at the date of this Debenture

Unregistered land subject to first registration upon the execution of this Debenture

None at the date of this Debenture

The address for service of the Security Agent in the case of registered land is 6th Floor, 55 Bishopsgate, London EC2N 3AS, attention [***].

SCHEDULE 2

Specified Intellectual Property

None at the date of this Debenture

SCHEDULE 3

Forms of Notice of Assignment/Charge

Part 1

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED AGREEMENTS

Served by Recorded Delivery

To: [insert name and address of Customer]

[*date*]

Dear Sirs,

Notice of Assignment

We refer to the loan agreement dated [***] made between you and [George Banco Limited/George Banco.Com Limited] (the "Loan Agreement").

We refer to a Debenture (the "Debenture") dated [***] made between, inter alia, [***] (the "Security Agent") and ourselves. We hereby give you notice that all our right, title and interest in the Loan Agreement has been assigned to the Security Agent by Clause 4.1 (Security Assignments) of the Debenture.

We further notify you that:

1. we may not amend or terminate the Loan Agreement without the prior written consent of the Security Agent;
2. you may continue to deal with us in relation to the Loan Agreement until you receive written notice to the contrary from the Security Agent. Thereafter, we will cease to have any right to deal with you in relation to the Loan Agreement and therefore from that time you should deal only with the Security Agent;
3. you are authorised to disclose information in relation to the Loan Agreement to the Security Agent on request;
4. after receipt of written notice in accordance with paragraph 2 above, you must pay all monies to which we are entitled under the Loan Agreement direct to the Security Agent (and not to us) unless the Security Agent otherwise agrees in writing; and
5. the provisions of this notice may only be revoked with the written consent of the Security Agent.

This notice and all non-contractual obligations arising in any way whatsoever out of or in connection with this notice shall be governed by, construed and take effect in accordance with English law.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that:

- a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- b) you have not received notice that [George Banco Limited/George Banco.Com Limited] has assigned or charge its rights under the Loan Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Loan Agreement in favour of a third party; and
- c) you have not claimed or exercise, nor do you have any outstanding right to claim or exercise against [George Banco Limited/George Banco.Com Limited] any right of set-off, counter-claim or other right relating to the Loan Agreement.

Signed

ü ü ü ü ü ü ü ü ü ü ü ü ü ..

for and on behalf of

[George Banco Limited/George Banco.Com Limited]

[on copy]

ACKNOWLEDGEMENT

To: Security Trustee Services Limited, 6th Floor, 55 Bishopsgate, London EC2N 3AS

Copy: [George Banco Limited/George Banco.Com Limited], The Blue Building Dairy House Farm, Stubbs Lane, Beckington, Frome, BA11 6TE

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (c) above.

For and on behalf of

ü ü ü ü ü ü ü ü ü ü ü ü ü ü

[insert name of Customer]

Dated:

SCHEDULE 3

Part 2

FORM OF NOTICE OF ASSIGNMENT - INSURANCES

Served by Recorded Delivery

To: [insert name and address of Insurer]

[Date]

Dear Sirs

Re: [describe relevant policies] dated [date] between (1) you and (2) [George Banco Limited/George Banco.Com Limited]

1. We give notice that, by a debenture (the "Debenture") dated [***] made between Security Trustee Services Limited (the "Security Agent") and ourselves, we have assigned by way of security to the Security Agent all our rights, title and interest from time to time in respect of any sums payable to us pursuant to the Policies (together with any other agreement supplementing or amending the same, the "Policies").
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Security Agent may from time to time request;
 - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Agent and to pay or release all or any part of those sums only in accordance with the written instructions given to you by the Security Agent from time to time;
 - (c) to comply with any written notice or instructions relating to the Debenture, the sums payable by you to us from time to time under the Policies (or the debts represented by them) which you may receive from the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction); and
 - (d) to send copies of all notices and other information given or received under the Policies to the Security Agent.
3. We irrevocably instruct you to note on the relevant Policies the Security Agent's interest as first priority assignee of the proceeds under the Policies and the rights, remedies, proceeds and claims referred to above.

4. This notice may only be revoked or amended with the prior written consent of the Security Agent.
5. Please confirm by completing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us) that you:
 - (a) accept the instructions and authorisations contained in this notice and undertake to comply with this notice; and
 - (b) have not received notice of the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them.
6. This notice is governed by English law.

Yours faithfully

for and on behalf of

[George Banco Limited/George Banco.Com Limited]

[on copy]

To: Security Trustee Services Limited
as Security Agent
6th Floor, 55 Bishopsgate, London EC2N 3AS
Copy to: [George Banco Limited/George Banco.Com Limited]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms.

for and on behalf of

[Name of Insurer]

Dated:

SCHEDULE 3

Part 3

FORM OF NOTICE TO ACCOUNT BANK

[**Account Bank**]

[**Address**]

For the attention of [**]

[**date**]

Dear Sirs

NOTICE OF CHARGE: DEBENTURE DATED [**] (THE "DEBENTURE") BETWEEN, AMONG OTHERS (1) GEORGE BANCO LIMITED AND GEORGE BANCO.COM LIMITED (TOGETHER, THE "CHARGORS"), (2) SECURITY TRUSTEE SERVICES LIMITED (THE "SECURITY AGENT") AS TRUSTEE FOR THE BENEFICIARIES (AS DEFINED IN THE DEBENTURE), (3) RETAIL MONEY MARKET ACTING FOR ITSELF AND AS AGENT FOR AND ON BEHALF OF THE RATESETTER LENDERS (AS DEFINED IN THE DEBENTURE) AND (4) RETAIL MONEY MARKET LTD

1. We refer to the following accounts held by George Banco Limited and George Banco.Com Limited with you:
 - (a) [insert details of bank accounts](together the "Accounts").
2. This letter constitutes notice to you that, under the Debenture, we have:
 - (a) charged our Receivables to the Security Agent;
 - (b) undertaken to the Security Agent to pay into the Accounts all money which we receive in respect of our Receivables and, pending such payment, to hold all money so received on trust for the Security Agent; and
 - (c) charged all our interests and rights (if any) in or to any money at any time standing to the credit of the Accounts to the Security Agent.
3. We hereby irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given you to the contrary):
 - (a) to disclose to the Security Agent, without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to each Account and the amount from time to time standing to its credit as the Security Agent may, at any time and from time to time, request you to disclose to it.
 - (b) at any time after the Security Agent has notified you that the Debenture has become enforceable:
 - (i) at any time and from time to time upon receipt by you of instructions in writing from the Security Agent, to pay or release to the Security Agent all or any of the money standing to the credit of the Accounts (after your

exercise of any rights of set-off then available to you in accordance with the Finance Documents) and generally to act in accordance with such instructions in relation to the Accounts, without any reference to or further authority from us and without any enquiry by you as to the justification for such instructions or their validity;

- (ii) to comply with the terms of any written instructions in any way relating or purporting to relate to our Accounts which you may receive at any time and from time to time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for such notice, statement or instructions or its or their validity;
- (iii) not to act upon our instructions with regard to the Accounts unless and until the Security Agent confirms those instructions to you in writing and, in particular but without limitation, in these circumstances we shall not be permitted to withdraw any amount from any Account without the prior written consent of the Security Agent; and
- (iv) after your exercise of any rights of set-off then available to you in accordance with the Finance Documents, to hold all sums from time to time standing to the credit of our Accounts to the order of the Security Agent.

- 4. The instructions and authorisations which are contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them.
- 5. This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by and construed in accordance with English law.
- 6. Please will you acknowledge receipt of this letter and confirm your acceptance of the instructions and authorisations contained in it by signing and returning to the Security Agent the attached copy of this letter.

Yours faithfully

.....

For and on behalf of

George Banco Limited

.....

For and on behalf of

George Banco.Com Limited

[On copy:

For the benefit of the Security Agent (for itself and on behalf of the Beneficiaries) we:

1. hereby acknowledge receipt of this letter; and
2. accept the instructions contained in the letter and agree to act in accordance them.

We also confirm that we have not received notice of any interest of any third party in any of the Accounts.

.....

For and on behalf of [*** the Account Bank ***]

SCHEDULE 4

The Security Agent

1. The Security Agent

- (a) The Security Agent declares that it holds the Security on trust for the Beneficiaries on the terms contained in this Debenture.
- (b) Each of the Beneficiaries authorises the Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Security Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.
- (c) Save as provided in this Debenture, the Matched Lenders shall not have any independent power to enforce, or have recourse to, any of the Security or to exercise any rights or powers arising under the Finance Documents except through the Security Agent.

2. Instructions

- (a) Notwithstanding any provision of any Finance Document, the Security Agent shall be entitled at its discretion to act or refrain from acting in respect of any matter in relation to the Security.
- (b) Subject to paragraph (a) above and paragraphs (f) and (g) below, the Security Agent shall:
 - (i) exercise or refrain from exercising any right, power, authority or discretion vested in it as Security Agent in accordance with any instructions given to it by RateSetter or the Agent (as appropriate); and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above.
- (c) The Security Agent shall be entitled to request instructions, or clarification of any instruction, from RateSetter or the Agent as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Agent may refrain from acting unless and until it receives those instructions or that clarification.
- (d) Paragraph (b) above shall not apply:
 - (i) where a contrary indication appears in this Debenture;
 - (ii) where this Debenture requires the Security Agent to act in a specified manner or to take a specified action; or
 - (iii) in respect of any provision which protects the Security Agent's own position in its personal capacity as opposed to its role of Security Agent for the Beneficiaries.
- (e) If giving effect to instructions given by RateSetter or the Agent would (in the Security Agent's opinion) have an effect equivalent to an amendment or waiver of any Finance Document, the Security Agent shall not act in accordance with those

instructions unless consent to it so acting is obtained from each party (other than the Security Agent) whose consent would have been required in respect of that amendment or waiver.

- (f) In exercising any discretion to exercise a right, power or authority under the Finance Documents where it has not received any instructions as to the exercise of that discretion, the Security Agent shall do so having regard to the interests of all the Beneficiaries.
- (g) The Security Agent may refrain from acting in accordance with any instructions of RateSetter or the Agent until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.
- (h) In the absence of instructions, the Security Agent may act (or refrain from acting) as it considers in its discretion to be appropriate.

3. Duties of the Security Agent

- (a) The Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature.
- (b) The Security Agent shall promptly forward to a party the original or a copy of any document which is delivered to the Security Agent for that party by any other party.
- (c) The Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party.
- (d) If the Security Agent receives notice from a party referring to any Finance Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify RateSetter and the Agent.
- (e) The Security Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).
- (f) Nothing in this Debenture constitutes the Security Agent as an agent, trustee or fiduciary of any Obligor.
- (g) The Security Agent shall not be bound to account to any other Beneficiary for any sum or the profit element of any sum received by it for its own account.
- (h) The Security Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with the Obligors.

4. Rights and discretion

- (a) The Security Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
 - (ii) assume that:

- (1) any instructions received by it from RateSetter or the Agent are duly given in accordance with the terms of the Finance Documents;
 - (2) unless it has received notice of revocation, that those instructions have not been revoked; and
 - (3) if it receives any instructions to act in relation to the Security, that all applicable conditions under the Finance Documents for so acting have been satisfied; and
 - (iii) rely on a certificate from any person as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person, or to the effect that such person approves of any particular dealing, transaction, step, action or thing, as sufficient evidence that that is the case and may assume the truth and accuracy of that certificate.
- (b) The Security Agent may assume (unless it has received notice to the contrary in its capacity as security trustee for the Beneficiaries) that:
- (i) no Default has occurred;
 - (ii) any right, power, authority or discretion vested in any party has not been exercised.
- (c) The Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Security Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Security Agent (and so separate from any lawyers instructed by RateSetter or the Agent) if the Security Agent in its reasonable opinion deems this to be desirable.
- (e) The Security Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Agent or by any other party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
- (f) The Security Agent, any Receiver and any Delegate may act in relation to the Finance Documents and any Charged Property through its officers, employees and agents and shall not:
- (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct.

- (g) Unless this Debenture expressly specifies otherwise, the Security Agent may disclose to any other party any information it reasonably believes it has received as security trustee under this Debenture.
- (h) Notwithstanding any other provision of any Finance Document to the contrary, the Security Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- (i) Notwithstanding any provision of any Finance Document to the contrary, the Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

5. Responsibility for documentation

None of the Security Agent, any Receiver nor any Delegate is responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Security Agent, any Obligor or any other person in or in connection with any Finance Document or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; or
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security.

6. No duty to monitor

The Security Agent shall not be bound to enquire:

- (a) whether or not any Default has occurred;
- (b) as to the performance, default or any breach by any party of its obligations under any Finance Document; or
- (c) whether any other event specified in any Finance Document has occurred.

7. Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Security Agent, any Receiver or Delegate), none of the Security Agent, any Receiver nor any Delegate will be liable for:
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document or the Charged Property unless directly caused by its gross negligence or wilful misconduct;

- (ii) exercising or not exercising any right, power, authority or discretion given to it by, or in connection with, any Finance Document, the Charged Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document or the Charged Property;
 - (iii) any shortfall which arises on the enforcement or realisation of the Charged Property; or
 - (iv) without prejudice to the generality of paragraphs (i) to (iii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:
 - (1) any act, event or circumstance not reasonably within its control; or
 - (2) the general risks of investment in, or the holding of assets in, any jurisdiction,including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.
- (b) No party (other than the Security Agent, that Receiver or that Delegate (as applicable)) may take any proceedings against any officer, employee or agent of the Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Security Agent, a Receiver or a Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Security and any officer, employee or agent of the Security Agent, a Receiver or a Delegate may rely on this paragraph subject to Clause 29 (Third party rights) and the provisions of the Third Parties Act.
- (c) Without prejudice to any provision of any Finance Document excluding or limiting the liability of the Security Agent, any Receiver or Delegate, any liability of the Security Agent, any Receiver or Delegate arising under or in connection with any Finance Document or the Charged Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Agent, Receiver or Delegate (as the case may be) or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Agent, Receiver or Delegate (as the case may be) at any time which increase the amount of that loss. In no event shall the Security Agent, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Agent, Receiver or Delegate (as the case may be) has been advised of the possibility of such loss or damages.

8. Own responsibility

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Matched Lender and RateSetter confirms to the Security Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document, the Security and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security;
- (c) whether that Matched Lender or RateSetter has recourse, and the nature and extent of that recourse, against any party or any of its respective assets under or in connection with any Finance Document, the Security, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security;
- (d) the adequacy, accuracy or completeness of any information provided by the Security Agent or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and
- (e) the right or title of any person in or to, or the value or sufficiency of any part of the Charged Property, the priority of any of the Security or the existence of any other security interest affecting the Charged Property.

9. No responsibility to perfect Security

- (a) The Security Agent shall not be liable for any failure to:
 - (i) require the deposit with it of any deed or document certifying, representing or constituting the title of any Obligor to any of the Charged Property;
 - (ii) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Finance Document or the Security;
 - (iii) register, file or record or otherwise protect any of the Security (or the priority of any of the Security) under any law or regulation or to give notice to any person of the execution of any Finance Document or of the Security;
 - (iv) take, or to require any Obligor to take, any step to perfect its title to any of the Charged Property or to render the Security effective or to secure the creation of any ancillary security interest under any law or regulation; or
 - (v) require any further assurance in relation to the Security.

10. Insurance by Security Agent

- (a) The Security Agent shall not be obliged to insure any of the Charged Property; to require any other person to maintain any insurance or to verify any obligation to

arrange or maintain insurance contained in any Finance Document and the Security Agent shall not be liable for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.

- (b) Where the Security Agent is named on any insurance policy as an insured party, it shall not be liable for any damages, costs or losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind.

11. Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Security Agent may determine, including for the purpose of depositing with a custodian this Debenture or any document relating to the trust created under this Agreement and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Debenture or be bound to supervise the proceedings or acts of any person.

12. Delegation

- (a) Each of the Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.
- (b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Finance Parties.
- (c) No Security Agent, Receiver or Delegate shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

13. Acceptance of title

The Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Obligor may have to any of the Charged Property and shall not be liable for, or bound to require any Obligor to remedy, any defect in its right or title.

14. Winding-up of trust

If the Security Agent determines that all of the obligations secured by the Security Documents have been fully and finally discharged and none of the Finance Parties is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents, then the trusts set out in this Debenture shall be wound up and the Security Agent shall release, without recourse or warranty, all of the Security and the rights of the Security Agent under each of the Security Documents.

15. Powers supplemental

The rights, powers, authorities and discretions given to the Security Agent under or in connection with the Finance Documents shall be supplemental to the Trustee Act 1925

and the Trustee Act 2000 and in addition to any which may be vested in the Security Agent by law or regulation or otherwise.


16. Disapplication

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts constituted by this Debenture. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Debenture, the provisions of this Debenture shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Debenture shall constitute a restriction or exclusion for the purposes of that Act.

EXECUTION PAGE

THE CHARGOR

Executed as a
Deed by **George Banco Limited**
(pursuant to a resolution of its Board
of Directors) acting by:


Marie Howells
C.E.O.
Director

in the presence of:

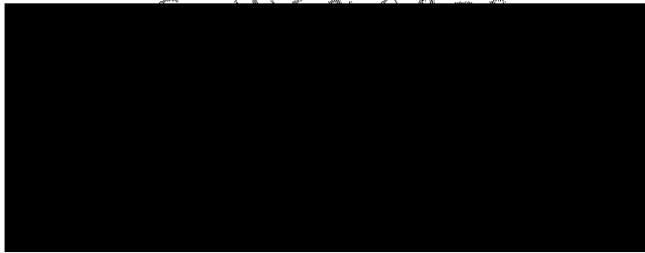
Signature of witness:



Name of witness:


STACEY DUNSTAN

Address of witness:



THE CHARGOR

Executed as a
Deed by **George Banco.com Limited**
(pursuant to a resolution of its Board
of Directors) acting by:


Marie Howells
C.E.O.
Director

in the presence of:

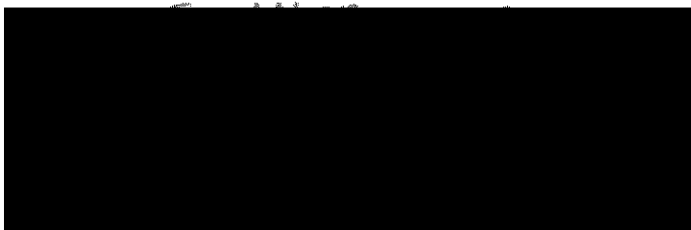
Signature of witness:



Name of witness:

STACEY DUNSTAN

Address of witness:



THE SECURITY AGENT

Signed by
and
and on behalf of **Security Trustee Services Limited:**

for

)

[Redacted Signature]

Authorised Signatory

[Redacted Signature]

Authorised Signatory

RATESETTER

Signed by
and
and on behalf of **Retail Money Market Ltd:**

for

)

[Redacted Signature]

Authorised Signatory

[Redacted Signature]

Authorised Signatory

THE AGENT

Signed by
and
and on behalf of **Retail Money Market Ltd**
as agent for and on behalf of the RateSetter
Lenders:

for

)

[Redacted Signature]

Authorised Signatory

[Redacted Signature]

Authorised Signatory