

MR01

Particulars of a charge



Companies House

COMPANIES HOUSE
FEE PAID
BELFAST



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

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

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

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

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

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



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

WEDNESDAY



J8H77GZL

JNI

30/10/2019

#33

COMPANIES HOUSE

1 Company details

Company number N I 0 0 8 3 6 6

Company name in full A.B. DISTRIBUTORS LIMITED

For official use
O O O I

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 1 d 8 m 1 m 0 y 2 y 0 y 1 y 9

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

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

Name THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND
AS LENDER

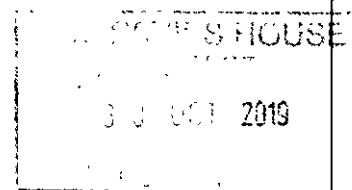
Name

Name

Name

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

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



MR01

Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

Brief description

None.

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☒ Yes

☐ No

8

Trustee statement ^①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

① This statement may be filed after the registration of the charge (use form MR06).

9

Signature

Please sign the form here.

Signature

Signature

X *Eversted's Intellectual* X

This form must be signed by a person with an interest in the charge.

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name NIAL MCCAVITT

Company name EVERSHEDS SUTHERLAND

Address SCOTTISH PROVIDENT BUILDING

DONEGALL SQUARE WEST

Post town BELFAST

County/Region COUNTY ANTRIM

Postcode B T 1 6 J H

Country NORTHERN IRELAND

DX

Telephone 02890918571



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: NI8366

Charge code: NI00 8366 0001

The Registrar of Companies for Northern Ireland hereby certifies that a charge dated 18th October 2019 and created by A.B. DISTRIBUTORS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th October 2019.

Given at Companies House, Belfast on 31st October 2019



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 18 October 2019

- (1) THE COMPANY REFERRED TO IN SCHEDULE 1 (as Chargor)
(2) THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND (as Lender)
-

DEBENTURE

We hereby certify that the within is a true copy of
the original with which it has been compared.

Dated this 28th day of October 2019

EVERSHEDS
SUTHERLAND

Scottish Provident Building
7 Donegall Square West
Belfast, BT1 6JH

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THIS DEBENTURE is dated

18 October

2019 and is made

BETWEEN:

1. **THE COMPANY LISTED IN SCHEDULE 1** (the "Chargor"); and
2. **THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND** having its principle place of business at 40 Mespil Road, Dublin 4 (the "Lender").

WHEREAS:

- A. The Chargor is now or may, from time to time after the date of this Debenture, become indebted whether as principal, surety or otherwise to the Lender.
- B. The parties hereto have agreed and it is hereby intended that this Deed shall secure all present and future obligations and liabilities of the Chargor to the Lender together with interest, costs and charges on the terms and conditions set out herein.
- C. The board of directors of the Chargor is satisfied that it is in the interests, and for the benefit, of the Chargor to enter into this Debenture.

IT IS AGREED as follows:

1 INTERPRETATION

1.1 Definitions

In this Deed, the following terms and expressions shall, unless the context otherwise requires, have the following meanings:

"Amendment and Restatement Agreement"	means and amendment and restatement agreement dated on or about to the date of this Deed amending and restating the facility letter dated 21 December 2017 issued by the Lender and addressed to Convest Limited;
"Account Bank"	means the Lender;
"Act"	means the Conveyancing and Law of Property Act 1881;
"Ancillary Covenants"	means all covenants, undertakings, guarantees, bonds, warranties, indemnities and other agreements in respect of (a) the design, construction, fit-out or maintenance of any building, structure or erection now or hereafter on the Scheduled Property (or any part thereof) or (b) of any roads, footpaths or utilities for services now or hereafter abutting or serving the Scheduled Property (or any part thereof) or (c) the taking in charge thereof or the paying of any charge or levy in respect thereof, the benefit of which is now or hereafter vested in the Chargor;
"Book Debts",	means in relation to the Chargor, all present and future book and other debts, receivables, revenues and monetary claims now or at any time in the future due, owing or incurred to the

	Chargor together with the benefit of all rights, securities, remedies, guarantees, indemnities and covenants of any nature whatsoever now or at any time enjoyed or held by the Chargor in relation to such book and other debts, receivables, revenues and monetary claims;
"Borrowers"	means the companies listed in Schedule 1 Part 2 (" <i>Borrowers</i> ") hereto and each is a " Borrower ";
"Business Day"	means a day (other than a Saturday or Sunday) on which banks in Dublin are open for general banking business;
"Charged Assets"	means, in relation to the Chargor, all present and future assets, rights and property of the Chargor the subject of any security created or expressed or intended to be created by or pursuant to this Deed and any reference to the " Charged Assets " includes a reference to any of them;
"Compensation Rights"	means, in relation to the Chargor, all present and future rights of the Chargor to be paid or receive compensation under any statute or by reason of any compulsory acquisition, requisition or other exercise of compulsory powers in relation to the Scheduled Property (or any part thereof) or arising on any refusal, withdrawal or modification of planning permission or approval relative thereto or any control or limitation imposed upon or affecting the use of the Scheduled Property (or any part thereof);
"Default Rate"	means the rate per annum payable in respect of any overdue amount as determined by the Lender from time to time;
"Development"	shall have the meaning ascribed thereto under the Planning Acts;
"Environment"	means any land (including surface and sub-surface soil, the sea bed and any natural or man-made structures), water (including rivers, lakes (man-made or natural), canals, the ocean (whether within or without territorial waters), ground waters and waters in drains and sewers) and air (including air within buildings and other natural and man-made structures) above or below ground;
"Environmental Laws"	means all and any applicable laws, including common law, statute, bye-law and subordinate legislation, regulations, codes of practice, circulars, and directives and judgments and decisions (whether in Northern Ireland or elsewhere and whether or not having the force of law), including notices, orders or circulars, of any court or authority competent to make such judgment or decision compliance with which is mandatory for the Chargor in any jurisdiction with regard to Environmental Matters and protection of the Environment;
"Environmental Licence"	means all and any permits, licences, consents, approvals, certificates, qualifications, specifications, registrations and

other authorisations (including any conditions which attach to any of the foregoing) and the filing of all notifications, reports and assessments required by any Environmental Law;

"Environmental Matters"

means any matter arising out of, relating to, or resulting from:

- (a) the pollution or protection of the Environment;
- (b) harm to the health of humans, animals or plants including laws relating to public and workers' health and safety;
- (c) emissions, discharges or releases into the Environment of chemicals or any other pollutants or contaminants or industrial, radioactive, dangerous, toxic or hazardous substances or waste (whether in solid, semi-solid, liquid or gaseous form and including noises and genetically modified organisms); or
- (d) the manufacture, processing, use, treatment, storage, distribution, disposal, transport or handling of the substances or wastes described in subparagraph (c) above;

"Event of Default"

means:

- (a) any event, howsoever described, as specified in any Finance Document or in this Deed which entitles the Lender to accelerate or demand repayment of the Secured Obligations or, in the case of any part thereof which is at such time contingent, to call for the delivery of cash collateral in respect thereof or any failure by the Chargor to pay or repay on demand all or any of the Secured Obligations which are so payable; or
- (b) any Event of Default referred to in Clause 11 (*When security becomes enforceable*) of this Deed;

"Facility Letter"

means the facility letter dated 21 December 2017 issued by the Lender and addressed to Convest Limited as amended and restated by the Amendment and Restatement Agreement as the same may be amended, restated, supplemented, varied and/or replaced from time to time;

"Finance Document"

means each loan agreement, loan/guarantee facility letter (including the Facility Letter), indemnity, counter-indemnity, bond, guarantee, hiring agreement, leasing agreement, hire purchase agreement, credit sale agreement, factoring agreement, invoice discounting agreement, debt purchase agreement, bill of exchange, promissory note, Hedging Agreement, or any other agreement of any nature or kind (both present and future) containing or evidencing the terms

upon which or under which any financing, credit or other facilities have been made available by the Lender to the Chargor or a Borrower or to some other party at the request and on behalf of the Chargor or a Borrower as the case may be;

**"Financial
Indebtedness"**

means any indebtedness or liability in respect of:

- (a) monies borrowed or raised and debt balances at banks or other financial institutions;
- (b) any debenture, bond, any subordinated loan note, loan stock or other security;
- (c) any acceptance credit;
- (d) receivables sold or discounted (otherwise than on a non-recourse basis);
- (e) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;
- (f) leases entered into primarily as a method of raising finance or financing the acquisition of assets leased;
- (g) currency, interest rate swaps or other derivatives;
- (h) amounts raised under any other transaction having the commercial effect of the borrowing or raising money save for any trade credit terms arising in the ordinary course of business; or
- (i) any guarantee, letter of credit, indemnity or similar assurance against financial loss of any person save in respect of any indebtedness already included in sub-clauses (a) to (h) inclusive above;

"Guarantor"

means from time to time, any guarantor or guarantors of all or any of the Secured Obligations which expression shall be deemed to include a body corporate and/or an individual (as appropriate) and **"Guarantor"** shall be construed accordingly;

**"Hedging
Agreement"**

means any ISDA master agreement, confirmation, schedule or other agreement entered into or to be entered into for the purpose of avoiding, reducing, minimising or hedging against or otherwise managing, *inter alia*, any interest rate or currency exchange rate liabilities incurred or arising in connection with all or any of the Secured Obligations;

**"Insurance
Proceeds"**

means all proceeds paid or payable to the Chargor under or in connection with the Insurances;

"Insurances"

means in relation to the Charged Assets, all contracts and policies of insurance and re-insurance of any kind taken out or, as the context requires, to be taken out and maintained by or on behalf of the Chargor or in which the Chargor has an interest including the contracts and policies existing at the date hereof as more particularly listed in Part 1 of Schedule 5 (*Insurances*) and the debts and benefits represented thereby;

**"Intellectual
Property Rights"**

means, in relation to the Chargor, all present and future patents (including renewals, extensions, derivations and modifications), designs, copyrights, Intellectual property monopoly rights, design rights, trade marks and service marks, trade and business names, know-how formulae, inventions, utility models, database rights, technical information, topographical or similar rights, confidential information, trade secrets, computer software programmes and systems, goodwill, domain names and all other intellectual property and rights of a similar or analogous nature in any part of the world including those listed in Schedule 8 (*Intellectual Property Rights*) and any interest (including by way of licence or consent) and ancillary and connected rights in any of the foregoing (in each case whether registered (in the United Kingdom or elsewhere) or unregistered and including all applications and the right to apply for any of the foregoing rights) and all fees, royalties or other rights derived therefrom, incidental thereto or relating to the use or exploitation of any of the aforementioned rights to which the Chargor is or may at any time hereafter become entitled;

**"Intoxicating
Liquor Act"**

means The Licensing (Northern Ireland) Order 1996 and any reference in this Deed to such shall include every regulation for the time being in force amending, modifying or replacing same and any regulations issued pursuant thereto and any extant order or regulation made or confirmed under any of them;

"Licences"

means, in relation to the Chargor, all licences (including, if applicable, any licence issued under the Intoxicating Liquor Act), consents, sanctions, authorisations or permits (statutory or otherwise) currently held by the Chargor or hereafter acquired by it (or its nominee), as the same may be amended, varied, extended, renewed or supplemented from time to time, in connection with any business carried on by it or the user of any of its Charged Assets and the right to recover and receive compensation which may be payable to it in respect of such licences, consents, sanctions, authorisations and/or permits and "Licence" includes a reference to any of them;

**"Material
Contracts"**

means the documents listed in Part 1 of Schedule 4 (*Material Contracts*) together with each other agreement or instrument supplementing, amending or replacing any such document entered into from time to time by the Chargor together with the full benefit of any covenant, undertaking, guarantee, indemnity or Security Interest enjoyed by the Chargor in respect of the same and "Material Contract" includes a reference to any of them;

**"Occupational
Leases"**

means the leases, licenses, agreements for lease all licences and other agreements for the occupation, possession or use of all or any part or parts of the Scheduled Property including

those listed in Schedule 3 (*Occupational Leases*) subject to which the interest of the Chargor in the Scheduled Property is now or from time to time hereafter held and "**Occupational Lease**" includes a reference to any of them;

"Planning Acts"

means all laws (whether criminal, civil or administrative) including common law, statute, statutory instruments, directives, regulations, bye-laws, orders, codes, judgments and other legal measures having the force of law concerning planning matters including the Planning (Northern Ireland) Orders 1972 to 2003, the Planning Act (Northern Ireland) 2011, the Planning (Hazardous Substances) Regulations (Northern Ireland) 1993 and the Planning and Compensation Act (Northern Ireland) 2001 and any regulations issued pursuant thereto and any extant order or regulation made or confirmed under any of them;

"Plant and Machinery"

means in respect of the Chargor, all its present and future fixed plant, machinery, vehicles, furniture, computers and office and other equipment, utensils and chattels of whatever nature and wherever situate;

"Receiver"

means any one or more receivers and/or managers appointed by the Lender in respect of the Chargor or over all or any of the property, assets or undertaking of the Chargor (whether pursuant to this Deed, at law or otherwise) which shall, where the context so admits, include the plural and any replacement or substitute receiver and/or manager;

"Related Rights"

means in relation to any Securities, all rights derived therefrom including rights to dividends, interest and other distributions paid or payable after the date of this Deed on all or any of those Securities and all stocks, shares or other securities (and dividends, interest and other distributions thereon) or other rights accruing or offered at any time by way of redemption, bonus, pre-emption or otherwise to or in respect of all or any of those Securities or in substitution or exchange for all or any of the Securities;

"Relevant Company"

has the meaning ascribed thereto in Clause 5.2(b);

"Rental Income"

means all amounts payable or paid to or for the benefit of the Chargor pursuant to, or in connection with or arising under any Occupational Lease and including, for the avoidance of doubt, all rents, licence fees, premiums, key monies, mesne profits and any interest payable in respect of any of the foregoing;

"Scheduled Property"

means the property described in Schedule 2 (*Scheduled Property*) and all rights, liberties, powers, easements, quasi easements and appurtenances (in each case of whatever nature) attached or appurtenant thereto and all buildings, erections, fixtures, fittings (including trade fixtures and

fittings) and Plant and Machinery from time to time therein or thereon and the full benefit of all warranties and maintenance contracts for any of the same;

"Secured Obligations"

means all present and future obligations and liabilities of each of the Borrowers, the Chargor and the Guarantors to the Lender to include, without limitation, all liabilities due and owing from time to time to the Lender in respect of principal, interest (including any interest which has been rolled up or capitalised and default interest), break-costs, discount, commission, fees and expenses (including all costs and expenses of and incidental to the appointment of a Receiver and the exercise of all or any of his powers) and whether such liabilities are actual or contingent, whether owed solely or jointly with any other person, whether as principal or as surety or in any other capacity whatsoever and in any currency and on any current or other account, whether under any Finance Document or otherwise in any manner whatsoever and any reference to the **"Secured Obligations"** includes a reference to any of them;

"Securities"

means all stocks, shares, deeds, bonds, warrants, coupons or other securities and investments now or in the future owned by the Chargor including those listed in Schedule 6 (*Securities*) together in each case with all Related Rights payable in relation thereto and any right, money or property accruing or offered at any time in relation to any of the foregoing by way of redemption, substitution, exchange, bonus or preference whether under option rights or otherwise, in each case, whether owned by the Chargor or by a nominee or nominees on its behalf;

"Security"

means the security constituted or intended to be constituted by this Deed;

"Security Accounts"

means, in relation to the Chargor, the bank account(s) in the name of the Chargor as more particularly listed in Part 1 of Schedule 7 (*Security Accounts*), used for, *inter alia*, the receipt of Book Debts and/or Rental Income and which shall include any substitute, replacement or renumbering thereof and whether by current account or deposit account and **"Security Account"** means any of them;

"Security Interest"

means any mortgage, charge (fixed or floating), pledge, lien, assignment, hypothecation, title retention, preferential right, trust arrangement or other security arrangement or agreement (including the deposit of monies or property with a person with the intention of affording such person a right of set-off or lien) and any other agreement or arrangement having a similar effect;

"Security Period"

means the period commencing on the date of execution of this Deed and terminating upon the date on which the Lender notifies the Borrower and the Chargor that the Secured

Obligations have been irrevocably and unconditionally paid and discharged in full and all the relevant commitments of the Lender cancelled;

"Subsidiary" means a subsidiary within the meaning of Section 1159 of the Companies Act and/or a subsidiary undertaking within the meaning of section 1162 of the Companies Act; and

"Work-in-Progress" means all construction and other works carried out or in the process of being carried out from time to time on or in connection with the Scheduled Property including all site preparatory works, all demolition and site clearance works and all materials or goods which are intended for inclusion in, or are in the process of being included in, any of the foregoing works.

1.2 Successors and Assigns

References to the **"Lender"**, the **"Chargor"** or any other person include references to their successors and permitted assignees, transferees, novatees or substitutes (as appropriate) whether immediate or derivative notwithstanding, in the case of the Lender, any change in the constitution of the Lender or the absorption of the Lender in or amalgamation with any other person or the acquisition of all or part of the undertaking of the Lender by any other person.

1.3 Headings

Clause headings and the contents page are inserted for convenience of reference only and shall be ignored in the interpretation of this Deed.

1.4 Construction of certain terms

In this Deed, unless the context otherwise requires:

- (a) references to any enactments or other legislation shall be deemed to include references to such enactment or other legislation as re-enacted, amended, substituted or extended from time to time;
- (b) references to Clauses and Schedules are to be construed as references to the Clauses of and the Schedules to this Deed and any reference to this Deed includes each of its Schedules;
- (c) words importing the plural shall include the singular and vice versa and words denoting any gender include all genders;
- (d) **"assets"** includes the present and future properties, revenues and rights of every description;
- (e) **"disposal"** includes a sale, transfer, grant (including the grant of an option), lease, mortgage, factor or other disposal, whether voluntary or involuntary or whether by operation of law (and **"dispose"** shall be construed accordingly);

- (f) a **"person"** Includes any person, firm, chargor, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having a separate legal personality) of any two or more of the foregoing;
- (g) any phrase introduced by the terms **"including"**, **"include"**, **"in particular"** or any similar expression is to be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (h) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (i) **"tax"** shall be construed so as to include any tax, levy, impost, duty or other charge of a similar nature (including any penalty or interest payable in connection with any failure to pay or delay in paying any of the same);
- (j) references to, or to any specified provision of, this Deed, any other Finance Document or any other document, agreement or instrument shall be construed as a reference to this Deed, such other Finance Document or such other document, agreement or instrument in force for the time being and as the same may be amended, restated, extended, varied, novated, substituted or supplemented from time to time (which may, as the Chargor specifically agrees and acknowledges in relation to any Finance Document, include (i) any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used, (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made available thereunder, (iii) any rescheduling of the indebtedness incurred thereunder or change to any repayment term applicable thereto, whether in isolation or in connection with any of the foregoing, (iv) any substitution of any existing borrower thereunder for any other borrower and/or addition of any new borrowers thereunder and (v) any combination of any of the foregoing) in each case in accordance with the terms thereof or, as the case may be, with the agreement of the relevant parties and (where any consents are required to be obtained as a condition to such amendment, restatement, extension, variation, novation, substitution or supplement being permitted) with the requisite consents;
- (k) in this Deed, an Event of Default is **"continuing"** where such Event of Default has not been remedied within any stated grace or remedy period applicable thereto or otherwise waived by the Lender; and
- (l) notwithstanding anything to the contrary in this Deed, the obligations, liabilities and undertakings under this Deed shall be deemed not to be undertaken or incurred to the extent that the same would constitute unlawful financial assistance prohibited by Section 678 or Section 679 of the Companies Act 2006 (or any analogous provision of any other applicable law).

2 SECURED OBLIGATIONS

2.1 Covenant to pay and discharge

The Chargor hereby unconditionally and irrevocably covenants with the Lender that it shall, on demand or on such terms as may otherwise be agreed in writing between the Chargor and the Lender, pay, discharge and perform the Secured Obligations. In the absence of any formal agreement to the contrary, the Chargor acknowledges and confirms that any liabilities in respect of the Secured Obligations shall be due and payable to the Lender on demand.

2.2 Interest

The Chargor shall pay interest on each amount demanded of it under this Deed from the due date for payment until actual payment (after as well as before judgment) at the Default Rate.

2.3 Payment free of deduction

All payments to be made under this Deed by the Chargor shall be made free and clear of and without deduction for or on account of any set-off, counterclaim or any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any nature whatsoever. If the Chargor shall at any time be compelled by law to make any deduction or withholding from any payment to be made hereunder, the Chargor will concurrently pay to the Lender such additional amount as will result in payment to the Lender of the full amount which would have been received had such deduction or withholding not been made and will, on request, supply to the Lender all appropriate documentation (in each case in a form and substance satisfactory to the Lender) evidencing that the Chargor has duly accounted to the relevant authority for any such deduction or withholding.

2.4 Evidence and calculation

Any certificate or determination by the Lender as to the amount of the Secured Obligations shall, in the absence of manifest error or fraud, be conclusive and binding on the Chargor for all purposes.

2.5 Obligations Unconditional

The obligations of the Chargor under Clause 2.1 (*Covenant to pay and discharge*) are unconditional and neither the provisions of this Deed nor the obligations of the Chargor will be affected by the occurrence or existence at any time of any of the following events or circumstances or by any person's knowledge or lack of knowledge as to any such matter: (a) any person's insolvency or lack of capacity, power or authority; (b) any unenforceability, illegality or invalidity of any obligation of any person; (c) any change in the constitution, membership, ownership, legal form, name or status of any person; (d) the making, amendment or termination of any other deed or agreement; (e) any amendment, novation, re-statement or substitution of, or any supplement to, any other deed or agreement; (f) any increase or reduction in the amount of any person's indebtedness or any alteration of any term, condition or arrangement in respect of any person's indebtedness; (g) any person taking or omitting to take any steps in relation to (i) the Chargor or any other person, (ii) any of the Secured Obligations, (iii) any Security, guarantee or other financial support in respect of any indebtedness and/or (iv) any other asset; or (h) anything else which, although it could affect the liability of a surety, would not affect the liability of a principal debtor.

3 CHARGING PROVISIONS

3.1 Fixed Charges and Assignments

Subject to Clause 15.1 (*Release of security*), the Chargor for good valuable consideration and as continuing security for the payment, discharge and performance of the Secured Obligations and as legal and beneficial owner (and where applicable as registered owner or, as the case may be, the person entitled to be registered as owner) hereby:

- (a) **charges** in favour of the Lender, as a first fixed charge, the Scheduled Property with payment and discharge of the Secured Obligations and hereby **assents** to the registration of such charge as a burden on the said property;
- (b) **charges** in favour of the Lender, all buildings, fixtures and fittings (including trade fixtures) and Plant and Machinery from time to time on the Scheduled Property;
- (c) **charges** in favour of the Lender, by way of first fixed charge, all other present and future estate, right, title or interest of the Chargor in any lands hereditaments and premises (including the Scheduled Property) together in all cases with the buildings, fixtures and fittings (including trade fixtures from time to time thereon);
- (d) **charges** in favour of the Lender, by way of first fixed charge, all future freehold and leasehold property of the Chargor (wheresoever situate) together with all buildings, fixtures and fittings (including trade fixtures) and Plant and Machinery from time to time thereon;
- (e) **charges** in favour of the Lender, by way of first fixed charge, all other present and future estate, right, title or interest (but not its obligations) in and to any Development being undertaken by the Chargor on all or any part of the Scheduled Property and the Work-In-Progress;
- (f) **charges** and **assigns** in favour of the Lender, by way of first fixed charge, all of its right, title, benefits, entitlements, remedies and interests in and payments under (but not the burden of) any Ancillary Covenants to hold same absolutely;
- (g) **charges** in favour of the Lender, by way of first fixed charge, all other Plant and Machinery of the Chargor both present and future (including stock in trade of the Chargor);
- (h) **charges** in favour of the Lender, by way of first fixed charge, all present and future rights, title and interest of the Chargor in and to the Occupational Leases, the Rental Income (and the benefit of any guarantee given in connection therewith) and any other present and future lease or licence of the Scheduled Property and any rights or benefits deriving therefrom and **assigns** unto the Lender, all of its right, title and interest therein;
- (i) **charges** in favour of the Lender, by way of first fixed charge, the benefit of all Licences and **assigns** unto the Lender all of its right, title and interest therein;
- (j) **charges** in favour of the Lender, by way of first fixed charge, all the Chargor's uncalled capital for the time being and all of the Chargor's present and future goodwill and **assigns** unto the Lender all of its right, title and interest therein;
- (k) **charges** in favour of the Lender, by way of a first charge, all of its right, title and interest in the Securities and **assigns** unto the Lender all of its right, title and interest therein;

- (l) **charges** in favour of the Lender, by way of first fixed charge, all Intellectual Property Rights and **assigns** unto the Lender, all of its right, title and interest therein including any and all damages, compensation, remuneration, profit, rent or income which it may now or at any time hereafter derive therefrom or be awarded or entitled to in respect thereof;
- (m) **charges** in favour of the Lender, by way of first fixed charge, (to the extent not effectively assigned or otherwise charged under this Deed) the Insurances and **assigns** unto the Lender all of its right, title and interest therein;
- (n) **charges** in favour of the Lender, by way of first fixed charge, the benefit of the Material Contracts and **assigns** unto the Lender all of its right, title and interest therein;
- (o) **charges** in favour of the Lender, by way of first fixed charge, its present and future right, title and interest in respect of any amount (including interest) from time to time standing to the credit of any bank account (including the Security Account(s)) now or from time to time held by the Chargor and the debts represented by the balance therein; and
- (p) **charges** in favour of the Lender, by way of first fixed charge and **assigns** unto the Lender, all Compensation Rights,

and in the case of all of the charges and the assignments at Clauses 3.1(a) to 3.1(p) above, these shall be deemed to include all damages, compensation, remuneration, profit, rent or other monies which the Chargor may now or at any time derive therefrom or be awarded or entitled to in respect thereof.

3.2 Floating Charge

- 3.2.1 The Chargor hereby charges unto the Lender, by way of first floating charge, all of its assets and undertaking not at any time otherwise effectively mortgaged, charged or assigned pursuant to Clause 3.1 (*Fixed Charges and Assignments*) of this Deed.
- 3.2.2 Paragraph 15 Schedule B1 to the Insolvency (Northern Ireland) Order 1989 shall apply to the floating charge hereby created to the intent that the floating charge shall be a qualifying floating charge for the purposes of the said legislation.

4 PROVISIONS AS TO SECURITY

4.1 Continuing security

- (a) The Security is a continuing security over all present and future assets and undertaking of the Chargor and will remain in full force and effect as a continuing security for the payment, performance and discharge of the Secured Obligations until released or discharged by the Lender.
- (b) No part of the Security will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.
- (c) If upon the final repayment and satisfaction of the Secured Obligations there shall exist any right on the part of the Chargor or any other person to draw funds or otherwise which, if exercised, would or might cause the Chargor to become actually or contingently

liable to the Lender whether as principal debtor or as surety for another person, then the Lender, will be entitled to retain this Security and all rights, remedies and powers conferred by this Deed and the Charged Assets for so long as the Lender, acting reasonably, deems necessary and in the event that any demand is made by the Lender under this Deed or under a Finance Document the said monies will become due and shall be paid and discharged to the Lender and all provisions of this Deed shall apply accordingly.

4.2 Additional security

This Deed is in addition to and is not prejudiced by any other security now or hereafter held by the Lender for the Secured Obligations.

4.3 Automatic crystallisation of floating charge

Notwithstanding Clause 4.4 (*Crystallisation of floating charge by notice*) below, the floating charge created by Clause 3.2 (*Floating Charge*) shall immediately upon the occurrence of any of the following events be converted into a fixed charge:

- (a) If any of the Charged Assets shall, without the prior written consent of the Lender, become subject to a Security Interest in favour of any person other than the Lender or, otherwise than as agreed with the Lender, the Chargor agrees to sell or otherwise dispose of all or a substantial part of its business or assets;
- (b) If any person shall levy, or attempt to levy, any distress, diligence, execution, sequestration or other similar process in respect of any of the Charged Assets;
- (c) If a receiver or administrator is appointed over any of the Charged Assets by any holder of any other Security Interest (whether ranking in priority to or *pari passu* with or after the floating charge in Clause 3.2 (*Floating Charge*)) or a petition is presented for the appointment of a liquidator, an administrator or other analogous insolvency official to, or the protection of the court is sought by, the Chargor or any Subsidiary of the Chargor;
- (d) If the Chargor ceases to carry on its business as a going concern; or
- (e) If any meeting of the members of the Chargor is convened to pass a resolution for its winding-up or liquidation or to put the Chargor into administration or with a view to entering into a composition, assignment or arrangement with its creditors generally (or any class of its creditor), or any meeting is convened for the purposes of considering any event similar or analogous to the foregoing.

4.4 Crystallisation of floating charge by notice

The Lender may at any time:

- (a) after the Security has become enforceable in accordance with the provisions of Clause 11 (*When security becomes enforceable*);
- (b) if the Chargor fails to comply or takes or threatens to take any action which in the opinion of the Lender is likely to result in the Chargor failing to comply with its obligations under Clause 4.7 (*Negative pledge*);
- (c) if the Lender, acting reasonably, considers that any of the Charged Assets are in danger of being seized or sold as a result of any legal process or are otherwise in jeopardy; or

- (d) if the Lender considers that steps are being taken or have been taken which are likely or intended to lead to the appointment of a receiver, an administrator or the presentation of a petition for the winding-up of the Chargor,

by giving notice in writing to that effect to the Chargor, convert the floating charge created by Clause 3.2 (*Floating Charge*) into a fixed charge as regards any assets specified in such notice. The conversion shall take effect immediately upon the giving of the notice.

4.5 Exclusive Control Following Crystallisation

- (a) Upon the giving of a notice under Clause 4.4 (*Crystallisation of floating charge by notice*), or the occurrence of any event specified at Clause 4.3 (*Automatic crystallisation of floating charge*) the Lender shall assume exclusive control of any assets which were the subject of the floating charge created by Clause 3.2 (*Floating Charge*), and the Chargor shall not be permitted to deal with the assets which are the subject of such charge otherwise than with and subject to the prior written consent of the Lender. Where such assets include the Book Debts of the Chargor, the Chargor shall not be permitted to release, exchange, settle, compromise, set-off, grant time or indulgence, or otherwise deal with such Book Debts and all monies received by the Chargor in respect of such Book Debts will be paid into a bank account of the Chargor held with the Account Bank or such other bank as the Lender may require and subject to a fixed charge and the Chargor shall not be permitted to make withdrawals or payments from any bank account without the prior written consent of the Lender.
- (b) Any asset acquired by the Chargor after the crystallisation of the floating charge created by Clause 3.2 (*Floating Charge*) which, but for such crystallisation, would be subject to a floating charge shall, unless the Lender confirms in writing to the contrary, be charged by way of first fixed charge and the Chargor shall not be permitted to deal with such asset otherwise than with and subject to the prior written consent of the Lender.
- (c) Nothing in Clause 4.3 (*Automatic crystallisation of floating charge*) or Clause 4.4 (*Crystallisation of floating charge by notice*) shall prejudice or affect any other event which may cause the floating charge created by Clause 3.2 (*Floating Charge*) to crystallise over the assets which are subject to it.

4.6 Non-competition

Until the Security has been discharged, the Chargor will not, after a claim has been made or by virtue of any payment or performance by the Chargor of the Secured Obligations:

- (a) be subrogated to any rights, security or monies held, received or receivable by the Lender or any person nor be entitled to any right of contribution or indemnity in respect of any payment made or monies received on account of the Secured Obligations;
- (b) claim, rank, prove or vote as creditor of any person; or
- (c) receive, claim or have the benefit of any payment, distribution or security from or on account of any person, or exercise any right of set-off as against any person, and

the Chargor shall forthwith pay or transfer to the Lender an amount equal to the amount of any dividend, distribution, contribution or benefit (including any amount set-off) actually received by it and in the meantime shall hold the same in trust for the Lender to the extent required to pay or discharge the Secured Obligations.

4.7 Negative pledge

The Chargor hereby unconditionally and irrevocably covenants with the Lender that it shall not during the Security Period without the prior written consent of the Lender:

- (a) create or attempt to create or permit to subsist in favour of any person other than the Lender, any Security Interest in or affecting the Charged Assets or any part thereof; or
- (b) dispose of the Charged Assets or any part thereof or attempt or agree so to do save for those of the Charged Assets covered by the floating charge created by Clause 3.2 (*Floating Charge*) which the Chargor may dispose of in the ordinary course of trading provided always that the floating charge has not been converted to a fixed charge pursuant to Clause 4.3 (*Automatic crystallisation of floating charge*) or Clause 4.4 (*Crystallisation of floating charge by notice*).

4.8 Consent to Registration

The Chargor hereby irrevocably consents to the registration of all or any of the Security as a burden on the property and assets thereby affected.

5 PERFECTION OF SECURITY

5.1 Notices of assignment

The Chargor hereby covenants with the Lender that it shall:

- (a) immediately upon execution of this Deed (or as soon as possible after the Chargor enters into such Material Contract), in respect of each Material Contract, deliver a duly completed notice of assignment to each other party to that Material Contract in the form set out in Part 2 of Schedule 4 (*Notice of Assignment of Material Contracts*) and shall procure that each such party executes and delivers to the Lender an acknowledgement, in the form set out in Part 3 of Schedule 4 (*Acknowledgement of Notice of Assignment of Material Contracts*) (or in each case, in such other form as the Lender shall agree);
- (b) immediately upon execution of this Deed (or, if later, as soon as possible after the Chargor enters into a policy of Insurance), deliver, to each insurance company which has issued a policy of Insurance, a duly completed notice of assignment in the form set out in Part 2 of Schedule 5 (*Notice of Assignment of Insurances*) and shall procure that each such insurance company executes and delivers to the Lender an acknowledgement, in the form set out in Part 3 of Schedule 5 (*Acknowledgement of Notice of Assignment of Insurances*) (or in each case, in such other form as the Lender shall agree); and
- (c) immediately upon execution of this Deed, deliver a duly completed notice of assignment to the Account Bank in respect of each Security Account, substantially in the form of Part 2 of Schedule 7 (*Notice of Assignment of Security Account*) and shall procure that the relevant branch of the Account Bank acknowledges the notice substantially in the form of Part 3 of Schedule 7 (*Acknowledgement of Notice of Assignment of Security Account*) (or in each case, in such other form as the Lender shall agree).

5.2 Securities

The Chargor hereby covenants with the Lender that it shall:

- (a) promptly upon the execution of this Deed and/or following the acquisition of any Securities, deposit with the Lender, or as the Lender may direct, all certificates and other documents of title or evidence of ownership in relation to any Securities and execute and deliver to the Lender stock transfer forms (executed in blank and left undated) and such other documents as the Lender may reasonably require in order to enable the Lender (or its nominee) to be registered as the owner or otherwise obtain legal title thereto; and
- (b) ensure that the directors of any company in which the Securities are held (each a "**Relevant Company**") shall not refuse to register a duly stamped transfer of any Securities presented by the Lender and/or any Receiver appointed by it to such company's board of directors for registration and shall, if necessary, procure that the memorandum and articles of association of such company are amended as required in order to remove or otherwise restrict any such discretion in a manner satisfactory to the Lender.

5.3 Registration of intellectual property

The Chargor hereby agrees, if so requested by the Lender, to execute all such documents and do all acts that the Lender may reasonably require from time to time to record the interest of the Lender in any register relating to any Intellectual Property Rights in which the Chargor has an interest.

5.4 Further assurances

The Chargor shall, at its own expense, if and when at any time required by the Lender or any Receiver appointed by it, execute such further security deeds or Instruments (comprising fixed and floating charges and assignments) including, if required by the Lender (acting reasonably), a deed of confirmation in respect of, *inter alia*, the continued validity of the Security in each case in favour of or for the benefit of the Lender or any such Receiver and do all such acts and things as may be required to perfect or protect the Security over the Charged Assets (both present and future) or any part thereof or to facilitate the realisation of same or the exercise of any right, power or discretion exercisable by the Lender or any such Receiver or any of its delegates or sub-delegates in respect of any Charged Assets.

6 REPRESENTATIONS AND WARRANTIES

6.1 Representations and warranties

The Chargor represents and warrants to the Lender that:

- (a) it is duly incorporated and validly existing under the laws of its place of incorporation;
- (b) it has the power to grant this Deed and to perform its obligations hereunder;
- (c) it has the power and authority to own its assets and to conduct the business which it conducts and proposes to conduct;

- (d) it has taken all necessary corporate action to authorise the execution and delivery of this Deed and to authorise the performance by it of its obligations hereunder and this Deed constitutes its legal, valid, binding and enforceable obligations;
- (e) neither the granting of this Deed by it nor the performance by it of its obligations hereunder will contravene any law, regulation or any agreement to which it is a party or by which it is bound nor will it cause any limitation on any of its powers howsoever imposed or the right or ability of its directors to exercise any such powers to be exceeded;
- (f) all authorisations, consents, approvals, resolutions, licences, exemptions, filings or registrations required for the entry into, performance, validity or enforceability of this Deed by it have been or will be obtained and are in full force and effect;
- (g) this Deed creates those Security Interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or otherwise;
- (h) save for any Security Interest granted in favour of the Lender, it has not granted or created, nor is there outstanding, any Security Interest over the Charged Assets (or any part thereof);
- (i) it is the legal and/or beneficial owner (as the case may be) of the Charged Assets which it has advised the Lender that it owns (and where it is the legal owner only, it has advised the Lender of the identity of the true beneficial owner thereof) and has delivered to the Lender all documents evidencing its ownership thereof including, in the case of the Scheduled Property, all title deeds and documents in connection therewith;
- (j) no Development has taken place on or in relation to the Scheduled Property without any requisite permission having been obtained prior to the commencement thereof;
- (k) save for any Security Interest granted in favour of the Lender, the Securities are fully paid and are not subject to any claim, lien or option, or pre-emption or other rights;
- (l) it has obtained all approvals and consents from the contractual parties to the Material Contracts which are necessary for it to enter into this Deed and the entry into this Deed will not breach any provisions of its Material Contracts;
- (m) all factual information provided by it or on its behalf was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated to be given;
- (n) it is not in default of any of its obligations under any Material Contract nor has it received or given a notice or intimation of termination, rescission, suspension or breach in respect of any Material Contract;
- (o) it has obtained all consents including the consent of any landlord or superior landlord (where necessary) under any lease or agreement for lease under which the Scheduled Property is held, necessary to ensure that no other party to any agreement or arrangement entered into by it (including such landlord or superior landlord) becomes entitled to terminate such agreement or arrangement as a consequence of it entering into this Deed;
- (p) the Intellectual Property Rights (if any) owned by it are all of the Intellectual Property Rights required by it in order to carry on its business as it is now being conducted and

It is the sole legal and beneficial owner of those Intellectual Property Rights free of any third party rights or interests or Security Interests (except for those created by or under this Deed);

- (q) no licence to use any of the Intellectual Property Rights (if any) owned by it has been given to any third party and it does not have any rights to any other Intellectual Property Rights other than as disclosed to the Lender and all applications and renewal fees, costs and charges relating to the Intellectual Property Rights have been paid and are paid up to date;
- (r) it does not, in carrying on its business, infringe any Intellectual Property Rights of any third party and no Intellectual Property Rights (if any) owned by it are being infringed, nor, to its knowledge, is there any threatened infringement of any such Intellectual Property Rights;
- (s) it has complied with all Environmental Laws to which it may be subject including the filing of all notifications, reports or assessments required to be filed under such Environmental Laws; and
- (t) it has obtained all Environmental Licences required in connection with its business and/or assets and has complied with the terms of those Environmental Licences.

6.2 Repetition

The representations and warranties set out in Clause 6.1 (*Representations and warranties*) shall be given on the date of this Deed and shall be deemed to be repeated on each date on which interest is due and payable in accordance with the terms of the relevant Finance Document.

7 UNDERTAKINGS

7.1 General undertakings

The Chargor hereby irrevocably covenants and undertakes with the Lender that it shall:

- (a) provide the Lender with such information relating to its business, its financial condition and any of the Charged Assets as the Lender may reasonably require from time to time;
- (b) conduct and carry on its business in a proper and efficient manner and shall at all times keep full and proper books of account and records;
- (c) observe and perform all material covenants, requirements and obligations from time to time imposed on, applicable to or otherwise affecting the Charged Assets and/or the use, ownership, occupation, possession, operation, repair, maintenance or other enjoyment or exploitation of the Charged Assets whether imposed by statute, law or regulation, contract, lease, licence, grant or otherwise;
- (d) keep all the Charged Assets (including trade fixtures and fittings) in good and substantial repair and condition and, in the case of Plant and Machinery, in a good state of repair and in good working order and condition;
- (e) comply with all laws, statutes and regulations (including those relating to the payment of taxes and the Environment) which are applicable to it and obtain, effect, comply with and maintain in full force and effect all registrations, licences, consents, authorisations and exemptions required for the conduct of its business and the performance, validity

and enforceability of this Deed and any document entered into pursuant to this Deed and generally do all other acts and things (including the taking of legal proceedings) necessary or desirable to maintain, defend or preserve its right, title and interest to and in the Charged Assets without infringement by any third party;

- (f) not without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting any of its real property or agree to any rent review where the Chargor is the tenant (the result of which would mean that it would pay an amount higher than market rent) relating to any interest in any of its real property;
- (g) notify the Lender immediately if any distress or execution is levied or enforced against it or any of its assets or any third party debt order or freezing order is made and served on it;
- (h) notify the Lender immediately if any steps (including the making of an application without the giving of any notice) are taken by any person (including the Chargor) in relation to it entering into administration, receivership, winding up or dissolution or any analogous step or procedure is taken in any jurisdiction upon becoming aware of such an event occurring;
- (i) deliver to the Lender copies of all Material Contracts and/or any information and documentation relating to any Material Contract as may be reasonably requested by the Lender from time to time;
- (j) not without the prior written consent of the Lender, do or omit to do anything which might result in any Charged Asset which currently is or becomes a registered right to lapse or which might allow or permit a third party to obtain a revocation of any such registered right;
- (k) not do or allow to be done any act which could, in the reasonable opinion of the Lender, have a material adverse effect on the value of any Charged Asset; and
- (l) maintain its centre of main interests (*COMI*) for the purposes of Council Regulation (EC) No 1346/2000 on Insolvency Proceedings in Northern Ireland.

7.2 Insurance undertakings

The Chargor hereby irrevocably covenants and undertakes with the Lender that it shall:

- (a) insure and keep insured all of the Charged Assets, including its buildings, structures and Plant and Machinery in such amounts, against such risks and with such insurance companies as are acceptable to the Lender including risks such as damage by fire, flood, explosion, riot, civil commotion, loss and liability imposed by law as owner or occupier of any property for damages and such other insurable risks as are commonly insured against from time to time in an amount equal to the full reinstatement or replacement cost with adequate provision to cover professional fees in connection with such reinstatement or replacement and shall procure that the interest of the Lender is endorsed and/or noted on the policy as co-insured and in amounts over €100,000 (or the pounds sterling equivalent) as first loss payee or with such other interest as the Lender may otherwise direct or agree;

- (b) upon execution of this Deed, deliver to the Lender all policies or cover notes (including renewal cover notes or new policies) or other evidence acceptable to the Lender of the Insurance required to be maintained in accordance with the provisions of Clause 7.2(a) above;
- (c) duly and promptly pay or cause to be paid all premiums and other sums of money payable for maintaining any such Insurance as aforesaid;
- (d) apply any Insurance Proceeds in making good the loss or damage in respect of which such monies were received or, at the sole discretion of the Lender, in repayment of the Secured Obligations;
- (e) not do or permit anything to be done in or upon or relating to the Charged Assets or any part thereof which may make void or voidable any Insurances;
- (f) pending application in accordance with Clause 7.2(d) above or if requested by the Lender to do so pending a determination as to their application or use by the Lender, hold all Insurance Proceeds on trust for the Lender; and
- (g) ensure and procure that, in respect of all policies covering the Charged Assets, the insurer agrees in writing that the policies will not be cancelled or terminated and will not expire without a minimum of thirty (30) days' notice in writing to the Lender.

7.3 Property undertakings

The Chargor hereby irrevocably covenants and undertakes with the Lender that it shall:

- (a) not, without the prior written consent of the Lender, part with possession or occupation of the Scheduled Property (or any part thereof);
- (b) comply with, observe and perform all covenants, obligations and conditions relating to the Scheduled Property (including every lease, licence, fee farm grant, agreement or other instrument relating to the Scheduled Property) and indemnify the Lender in respect of any breach of those covenants, obligations and conditions;
- (c) procure that all Rental Income shall, if so required by the Lender, be paid into such account(s) as the Lender may from time to time specify;
- (d) not, without the previous consent in writing of the Lender, which consent shall not be unreasonably withheld, remove or destroy any of the buildings, plant and machinery, fixtures, fittings, vehicles, computers and office and other equipment or any structure whatsoever from any freehold or leasehold property now or in the future owned by the Chargor unless that property is worn out or rendered unfit for use or unless such removal or destruction shall be with a view to promptly replacing such property by other property of at least equal value or utility;
- (e) at all reasonable times permit the Lender and its representatives access to any freehold or leasehold property owned by the Chargor from time to time and to take any action the Lender may consider reasonably necessary or desirable to prevent or remedy any breach of any covenant, stipulation or term of this Deed;
- (f) on the expiration of any Occupational Lease, licence or other agreement relating to any freehold and leasehold property of the Chargor, renew all such Occupational Leases,

Licences or other agreements on the most favourable terms available so long as the same have utility or commercial value;

- (g) not, without the prior written consent of the Lender, exercise the statutory powers of leasing or agreeing to lease, granting or agreeing to grant or of accepting or agreeing to accept surrenders conferred by Section 18 of the Act in respect of the Scheduled Property or any part thereof or sell, convey, assign, transfer or confer upon any person any contractual licence, right or interest in the Scheduled Property or any part thereof;
- (h) not cause or permit any person to become a protected or statutory tenant of the Scheduled Property or any part thereof under The Housing (Northern Ireland) Orders 1981-2003, the Rent (Northern Ireland) Order 1978, the Business Tenancies (Northern Ireland) Order 1996 or the Private Tenancies (Northern Ireland) Order 2006 including every regulation for the time being in force amending, modifying or replacing same and any regulations issued pursuant thereto and any extant order or regulation made or confirmed under any of them;
- (i) in the event of a notice or order given, issued or made to the Chargor affecting the Charged Assets or any part of the Charged Assets or in the event of any proceedings being commenced affecting the Charged Assets in a matter of material importance, as soon as reasonably practicable give full particulars of such notice, order or proceedings to the Lender and (without delay and at the cost of the Chargor) take all reasonable or necessary steps to comply with any such notice or order and or make or join with the Lender in making such objections or representations against or in respect of any such notice or order as the Lender shall reasonably require;
- (j) notify the Lender promptly of the acquisition of any freehold or leasehold property and at any time, if called upon to do so by the Lender and at the Chargor's own expense, execute over all or any part of such property a charge, by way of legal mortgage in favour of the Lender in such form as the Lender may require and in the case of any leasehold property, use its best endeavours to obtain any requisite consent therefor from the lessor;
- (k) deposit with the Lender all deeds and documents of title in relation to any freehold or leasehold property comprised in the Charged Assets;
- (l) not make any structural alterations or additions to the Scheduled Property or any part thereof without the prior written consent of the Lender;
- (m) not suffer any change of use of or carry out any works in or upon any of its freehold or leasehold property which would necessitate obtaining planning permission pursuant to the Planning Acts without first obtaining such permission and, where such permission is obtained, ensure that such permission is fully complied with;
- (n) not grant or enter into any easements, wayleaves, servitudes or similar arrangements in respect of any freehold or leasehold property comprised in the Charged Assets without the prior written consent of the Lender;
- (o) not do or allow to be done any act which could have a material adverse effect on the value of any freehold or leasehold property owned by the Chargor from time to time or as a result of which any lease of any property may become liable to forfeiture or otherwise be terminated;

- (p) not agree to the terms of any rent review or agree to or permit any alteration, variation or addition to the terms of any Occupational Lease without the prior written consent of the Lender;
- (q) promptly pay all rates, rents, taxes and other outgoings in respect of any freehold or leasehold property comprised in the Charged Assets; and
- (r) not agree to the compulsory purchase of the whole or any part of the freehold or leasehold property owned by the Chargor without the prior written consent of the Lender.

7.4 Intellectual Property Undertakings

The Chargor hereby irrevocably covenants and undertakes with the Lender that it shall:

- (a) take all such steps and do all such acts as may be necessary for obtaining, retaining, renewing or maintaining the registration and the validity of any of its Intellectual Property Rights and for restoring the same if its Intellectual Property Rights or any part thereof has at any time become void and, in particular, pay all fees necessary for that purpose before the same become due and produce to the Lender on demand the receipts for such fees;
- (b) use its reasonable endeavours to preserve, protect and safeguard its Intellectual Property Rights from and against theft, loss, destruction, unauthorised access, copying or use by third parties and to detect any infringement of any of its Intellectual Property Rights and if it shall become aware of any such infringement at once give to the Lender all information in its possession with regard thereto and, at the request of the Lender but at the cost of the Chargor, commence and diligently prosecute or permit the Lender in the name of but at the cost of the Chargor to commence and prosecute all proceedings necessary to prevent such infringements or to recover damages in respect thereof and the Chargor hereby appoints the Lender and the persons deriving title under it to be the attorney and attorneys of the Chargor in its name or otherwise and on its behalf to execute and do all deeds, acts, matters and things that may in its or their opinion be required for the purposes aforesaid or any of them; and
- (c) not (without the prior consent in writing of the Lender) apply to amend the specification or drawings referred to in any letters patent or in any registration of any of its Intellectual Property Rights or grant any licence of or permit any person to use the same.

8 SECURITIES

8.1 Rights prior to default

Prior to the Security becoming enforceable in accordance with Clause 11 (*When security becomes enforceable*) the Chargor shall:

- (a) be entitled to exercise all voting rights in relation to the Securities mortgaged and charged by it under this Deed provided that the Chargor shall not exercise such voting rights in any manner which would alter the rights attached to the Securities or which, in the opinion of the Lender, would prejudice the value of or the ability of the Lender to realise the Security; and
- (b) be entitled to receive all dividends, interest and other monies arising from the Securities.

8.2 Rights during default

After the Security has become enforceable in accordance with Clause 11 (*When security becomes enforceable*) the Lender:

- (a) may, at its discretion and without any further consent or authority from the Chargor:
 - (i) register all or any of the Securities in the name of the Lender, or its nominee and the Chargor shall, as and when required by the Lender, procure such registration;
 - (ii) exercise (or refrain from exercising) any voting rights in respect of the Securities; and
 - (iii) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities,

In such manner and on such terms as the Lender may in its discretion think fit;

- (b) shall be entitled to receive all dividends, interest and other monies arising from the Securities and to apply same in payment of the Secured Obligations and, in that regard, the Chargor shall take all necessary steps to ensure that all dividends, interest and other monies arising from the Securities are paid directly to the Lender. If the Chargor receives any dividends, interest or other monies arising from the Securities, it shall promptly pay the same to the Lender and pending such payment shall hold the same on trust for the Lender.

8.3 Payment of calls

The Chargor covenants with the Lender that it shall pay when due all calls or other payments which may be or become due in respect of the Securities from time to time.

8.4 Performance by the Lender

If the Chargor fails to perform any of the obligations relating to the Securities (including the payment of any call or other payment due in respect of any of the shares or investments) the Lender may, at its sole discretion do so on its behalf and the Chargor shall repay to the Lender on demand, any cost or expense incurred by the Lender together with the accrued interest thereon at the Default Rate from the time or respective time of the same having been paid or incurred until payment thereof (as well after as before judgment).

8.5 Liability of the Lender

Notwithstanding the provisions of Clause 8.4 (*Performance by the Lender*), if the Chargor fails to perform any of its obligations in relation to the Securities, the Lender shall not be obliged to perform any of the obligations of the Chargor in relation to the Securities nor shall they have any liability in respect of the Securities as a result of the grant of this Deed, the transfer of the Securities to the Lender or any nominee or as a result of the performance or non-performance of any such obligation.

9 MATERIAL CONTRACTS

9.1 Undertakings

The Chargor irrevocably undertakes to the Lender that it will:

- (a) not without the prior written consent of the Lender (not to be unreasonably withheld), amend, vary or waive (or agree to amend, vary or waive) any substantial or material (in the opinion of the Lender) provision of the Material Contracts, exercise any right to rescind, cancel or terminate any of the Material Contracts or release any person from any obligations under any of the Material Contracts;
- (b) not without the prior written consent of the Lender, novate, transfer or assign any of its rights under any of the Material Contracts;
- (c) not without the prior written consent of the Lender, take or omit to take any action which, in the opinion of the Lender, would prejudice the value of or the ability of the Lender to realise the Security in respect of the Material Contracts;
- (d) duly and promptly observe and perform all of its obligations under or pursuant to the Material Contracts; and
- (e) collect in all monies due and owing to it under the Material Contracts and, if so requested by the Lender, promptly pay such monies into such account(s) as the Lender may designate from time to time.

9.2 Duty to perform

The Chargor agrees that notwithstanding the provisions of Clause 3.1 (*Fixed charges and Assignments*) it shall remain liable to perform all its obligations under the Material Contracts and shall, prior to the enforcement of the Security pursuant to Clause 11 (*When security becomes enforceable*) and subject always to the undertakings contained in Clause 9.1 (*Undertakings*), be entitled to exercise all rights, remedies, powers and discretions conferred upon it under the Material Contracts and the Lender shall not have any liability or responsibility under any of the Material Contracts to the Chargor or any other party.

10 SECURITY ACCOUNTS

- 10.1 All of the Security Accounts must, unless the Lender otherwise agrees in writing, be maintained at a branch of the Account Bank.
- 10.2 Until such time as the Secured Obligations have been paid and discharged in full, the Chargor shall not be entitled to withdraw monies from a Security Account, except as the Lender may from time to time in its sole discretion permit.
- 10.3 The Lender may (whether or not the Security has become enforceable in accordance with Clause 11 (*When Security becomes enforceable*)) and/or any Receiver appointed by it may, without prior notice to the Chargor withdraw amounts standing to the credit of a Security Account in or towards the payment and discharge of the Secured Obligations when due and payable.

11 WHEN SECURITY BECOMES ENFORCEABLE

- 11.1 Strictly without prejudice to any of the Secured Obligations which are repayable on demand, the Security will become immediately enforceable upon the occurrence of an Event of Default which is continuing. In addition to any other Events of Default, each of the following events shall constitute an Event of Default:

- (a) *Failure to pay*: If the Chargor fails to pay all or any of the Secured Obligations when due following a demand for payment unless such failure to pay occurs solely as a result of any technical or administrative difficulties relating to the transfer of money and such default is remedied within two (2) Business Days of its due date;
- (b) *Breach of representation or warranty*: If any representation, warranty, statement, information or certificate made or provided by the Chargor pursuant to this Deed and/or any other Finance Document to which it is a party or any other document delivered by or on behalf of the Chargor in connection therewith proves to have been incorrect or misleading in any respect when made or deemed to be repeated;
- (c) *Breach of covenant*: If the Chargor breaches or fails to observe or perform any of the covenants in this Deed and/or any other Finance Document to which it is a party;
- (d) *Breach of contract*: If the Chargor breaches or fails to observe or perform any of the covenants in any lease, licence, concession or agreement, including any Material Contract, whereby such breach of or failure to observe or perform as aforesaid may, in the opinion of the Lender, render any right, title or interest of the Chargor to any of its property, assets or undertaking liable to forfeiture;
- (e) *Termination of Material Contracts*: If any Material Contract is terminated or revoked and after such fails to be renewed or replaced to the Lender's satisfaction acting reasonably;
- (f) *Cease business*: If, without the prior consent in writing of the Lender, the Chargor ceases or threatens to cease to carry on its business or any material part thereof or threatens to change the nature or mode of conduct of its trading in any material respect;
- (g) *Repudiation*: If the Chargor repudiates (i) this Deed and/or any Finance Document or does or causes to be done any act or thing evidencing an intention to repudiate any such document or (ii) any party to a Material Contract repudiates or rescinds or purports to repudiate or rescind any Material Contract (in whole or in part) which is not replaced to the Lender's satisfaction acting reasonably;
- (h) *Insolvency*: If:
 - (i) the Chargor and/or any Guarantor is unable or admits inability to pay its debts as they fall due or otherwise becomes insolvent;
 - (ii) the Chargor and/or any Guarantor stops or suspends or threatens to stop or suspend payment of its debts;
 - (iii) a moratorium is declared in respect of the Chargor's Financial Indebtedness; or
 - (iv) the Chargor, as a result of anticipated financial difficulties, begins negotiations with any creditor for the rescheduling of any of its Financial Indebtedness.
- (i) *Insolvency proceedings*: If:
 - (i) a meeting of shareholders, directors or other officers of the Chargor and/or of any Guarantor is convened for the purpose of considering any resolution or to petition for or to file documents with a court for its or any related company's winding-up, administration, examination or dissolution or for the seeking of relief under any applicable bankruptcy, insolvency or similar law or any such resolution is passed;

- (ii) a petition is presented, or documents are filed with a court or an order is passed for the appointment to the Chargor and/or to any Guarantor of an administrator, examiner or a liquidator or analogous official in any other jurisdiction or any Guarantor, being an individual, is declared a bankrupt;
 - (iii) any formal or legal step or other procedure is taken with a view to moratorium or a composition, compromise, assignment or similar arrangement with any creditors of the Chargor and/or of any Guarantor;
 - (iv) a liquidator, receiver, administrator, examiner or similar officer is appointed in respect of the Chargor and/or any Guarantor or in respect of any of its or their assets;
 - (v) the directors, shareholders or other officers of the Chargor or Guarantor request the appointment of, or give notice of their intention to appoint, a liquidator, receiver, examiner, administrator or similar officer in respect of the Chargor and/or any Guarantor or any of its or their assets; or
 - (vi) any other analogous step or procedure is taken in any jurisdiction.
- (j) *Cross default*: If any Financial Indebtedness of the Chargor and/or of any Guarantor is not paid when due or becomes or is capable of being declared payable prior to its stated maturity or any commitment for any Financial Indebtedness of the Chargor and/or any Guarantor is cancelled or suspended by a creditor of the Chargor and/or of any Guarantor as a result of an event of default (howsoever described);
 - (k) *Revocation of licence*: If any licence, authorisation, consent, approval, registration (including, without prejudice to the generality of the foregoing, the Licences) at any time necessary to enable the Chargor to carry on its business in the normal course shall be revoked, withheld or materially modified or shall fail to be granted, renewed or perfected or shall cease to remain in full force and effect;
 - (l) *Prior charge holders*: If the holder of any Security Interest from or over any part of the property, assets or undertaking of the Chargor takes possession of, or formally indicates an intention to take possession of, any part of the property, assets or undertaking of the Chargor and any charge, whether fixed or floating, granted by the Chargor over its property, assets and undertaking, crystallises or becomes enforceable or if any other action is taken to enforce any Security Interest granted, created or issued by the Chargor;
 - (m) *Material adverse change*: If there occurs or is likely to occur a material adverse change in the business, operations, financial condition or financial prospects of the Chargor which the Lender reasonably believes is likely to affect the Chargor's ability to meet its obligations under this Deed and/or any Finance Document to which it is a party;
 - (n) *Illegality/validity*: If this Deed and/or any Finance Document to which it is a party fails or ceases in any respect to have full force and effect or to be continuing or is terminated or is disputed or becomes jeopardised, invalid or unenforceable;
 - (o) *Litigation*: If any litigation, arbitration or administrative proceedings or any dispute affecting the Chargor or any of its assets, rights or revenues are commenced or threatened which, if determined against the Chargor, might be expected to materially and adversely affect its business, operations, financial conditions or financial prospects

or its ability to duly perform its obligations under this Deed and/or any Finance Document to which it is a party;

- (p) *Seizure of property*: If any distress, execution, attachment or other analogous legal process is levied, enforced or sued upon or against any part of the property, assets or undertaking of the Chargor;
- (q) *Default in payment of taxes*: If the Chargor defaults in the payment of any taxes due and payable (other than those being contested bona fide and in good faith and where the Chargor has made adequate reserves therefor);
- (r) *Change in shareholder*: If, without the prior written consent of the Lender, the legal or beneficial shareholder or shareholders in the Chargor at the date hereof shall transfer his or their respective shareholdings or any part thereof in the Chargor to any other person;
- (s) *Change in management*: If, without the prior written consent of the Lender, there occurs any material change in the management structure of the Chargor as it exists at the date of this Deed other than by reason of death, retirement at normal retirement age or on grounds of ill health or dismissal for good cause (in the opinion of the Lender);
- (t) *Alteration to memorandum & articles of association*: If any amendment or variation is made to the memorandum and articles of association of the Chargor, any Guarantor (being a body corporate) or any Relevant Company in any manner which would, in the reasonable opinion of the Lender, adversely affect the interests of the Lender under the Finance Documents (or any of them).

12 ENFORCEMENT OF SECURITY

12.1 Powers of the Lender

After the Security has become enforceable in accordance with Clause 11 (*When security becomes enforceable*), the Lender may in its absolute discretion and without prior notice to the Chargor, enforce and realise all or any part of the Security and/or take possession of, hold or dispose of all or any of the Charged Assets in any manner it sees fit and the statutory powers of sale and of appointing a Receiver conferred by Section 19 of the Act and supplemented by Section 4 of the Conveyancing Act 1911 and other powers conferred on mortgagees by the Act shall apply to this Deed free from the restrictions contained in Sections 17 and 20 of the Act and in each case as varied by this Deed. Neither the Lender nor any Receiver shall be obliged to take any steps to sell or lease the Charged Assets after going into possession of same and the Lender and any Receiver shall have absolute discretion as to the time of exercise of the power of sale and the power of leasing and all other powers conferred on them by the Act or otherwise.

12.2 The Lender as mortgagee in possession

At any time after the security hereby constituted has become enforceable in accordance with Clause 11 (*When security becomes enforceable*), the Lender may without further notice or demand enter into possession of the Charged Assets. The rights of the Lender under this Clause are without prejudice to, and/or in addition to, any right of possession (express or implied) to which it is at any time otherwise entitled (whether by virtue of this Deed, operation of law, statute, contract or otherwise) to enter into possession of the Charged Assets or any part thereof and the Lender shall have power to:

- (a) enter upon or take possession of and hold any of the Charged Assets or any part thereof and carry out any such repairs, amendments, alterations and additions as the Lender shall reasonably consider necessary or desirable for the maintenance or protection of the same or any part thereof;
- (b) demise or agree to demise any of the Charged Assets or any part thereof of which the Lender is in possession for such period at such rent and upon such terms with or without a premium or fine in all respects as the Lender may from time to time think fit;
- (c) carry on the business of the Chargor and manage and conduct the same as it shall in its sole discretion think fit; and
- (d) do all such other acts and things which, in the opinion of the Lender, are incidental to any of the powers, functions, authorities or discretions conferred on the Lender pursuant to this Deed or by statute and law generally.

12.3 Power of Sale

At any time after the security hereby constituted has become enforceable in accordance with Clause 11 (*When security becomes enforceable*) the power of sale and all other powers conferred on mortgagees by the Act shall be exercisable immediately without the need for the occurrence of any of the events specified in Section 20 of the Act.

12.4 Power of Leasing and accepting Surrenders

The statutory powers of leasing conferred on the Lender and any Receiver are extended so as to authorise the Lender and any Receiver to lease, make arrangements for leases, accept surrenders of leases and make agreements to accept surrenders of leases as it or he may think fit and without the need to comply with any provision of Section 18 of the Act or section 3 of the Conveyancing Act 1911. Without prejudice to the generality of the foregoing the Lender and any Receiver may exercise the statutory power to accept surrenders of leases conferred by the Act for any purpose that it or he thinks fit and not just for the purpose of granting new leases under the Act.

12.5 Liability and Privileges of the Lender and Receiver

- (a) Nothing in this Deed shall be deemed to impose on the Lender or any Receiver, any liability whatsoever in relation to the Charged Assets or render the Lender or any Receiver liable to account to the Chargor as mortgagee in possession in respect of any Charged Assets or be liable to the Chargor in respect of any loss or damage which arises out of the exercise, the attempted or purported exercise or the failure to exercise any of their respective powers or for any other loss of any nature whatsoever.
- (b) The Lender will not be liable for any involuntary losses which may occur as a result of the exercise or execution of the statutory power of sale or any of the powers or trust expressed or implied which may be vested in the Lender by virtue of this Deed.
- (c) The Lender and any Receiver appointed under this Deed shall be entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, but so that the power of

sale and other powers conferred by the Act and as may be available at law shall be as varied and extended by this Deed.

12.6 Protection of third parties

- (a) No purchaser or other person will be bound or concerned to see or enquire whether the right of the Lender or any Receiver appointed by the Lender to exercise any of the powers conferred by this Deed has arisen or not or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.
- (b) The receipt of the Lender or any Receiver shall be an absolute and complete discharge to a purchaser and shall relieve it of any obligation to see to the application of any monies paid to or at the direction of the Lender or any Receiver.
- (c) All protections to purchasers contained in Sections 21 and 22 of the Act shall apply to any person (including a purchaser) dealing with the Lender or any Receiver in like manner as if the statutory powers of sale and appointing a Receiver had not been varied or extended by this Deed.
- (d) No purchaser from the Lender or any Receiver shall be entitled to rely on Section 21(7) of the Act which is disapplied by this Deed.

12.7 Delegation

- (a) The Lender or any Receiver may from time to time delegate by power of attorney or otherwise to any person or corporation any of the powers and discretions of the Lender or any Receiver under this Deed whether arising by statute or otherwise upon such terms and for such periods of time as it may think fit and may determine by such delegation.
- (b) Neither the Lender nor any Receiver will be liable to the Chargor for any loss or damage arising from any act, default, omission or misconduct of any such delegate and references in this Deed to the Lender or to any Receiver will, where the context so admits, include reference to any delegates so appointed.

13 RECEIVERS

13.1 Appointment and removal

At any time after the Security has become enforceable in accordance with Clause 11 (*When security becomes enforceable*), the Lender may by instrument in writing (under seal or otherwise under the hand of any officer, manager or other nominated person of the Lender), without prior notice to the Chargor:

- (a) appoint one or more persons considered by it to be competent to be a Receiver (which shall, for the avoidance of doubt include a receiver and manager or joint receiver) of the whole or any part of the Charged Assets; and

- (b) remove any Receiver so appointed and appoint another or others in his place or appoint another or others to act jointly with such Receiver provided that where more than one Receiver is appointed they shall have the power to act severally unless the Lender shall otherwise specify.

The foregoing powers of appointment of a Receiver shall be in addition to and not to the prejudice of all statutory and other powers of the Lender under the Act or otherwise and such powers as varied or extended by this Deed shall be and remain exercisable by the Lender in respect of any of the Charged Assets notwithstanding the appointment of a Receiver over any of the Charged Assets.

13.2 Receiver as agent of the Chargor

Any Receiver appointed under this Deed shall at all times be the agent of the Chargor and the Chargor shall be solely responsible for his acts and defaults and liable on any contract or engagements made or entered into or adopted by him and the Receiver shall at no time act as agent for the Lender.

13.3 Remuneration of the Receiver

The Lender may fix the remuneration of any Receiver appointed by it and direct payment thereof out of the Charged Assets or any part thereof, but the Chargor alone will be liable for the payment of such remuneration and the provisions of Sections 24(6) and 24(8) of the Act shall not apply to this Deed.

13.4 Powers of the Receiver

A Receiver shall, in relation to the Charged Assets over which he is appointed, have all powers conferred by the Act and all the powers of an administrative receiver set out in Schedule 1 of the Insolvency (Northern Ireland) Order 1989 (as amended) (whether or not the receiver is an administrative receiver) on such terms as he may in his absolute discretion think fit. Furthermore a Receiver shall have (in each case at the cost of the Chargor) the following additional powers:

- (a) to enter on, take possession of, collect and get in all or any part of the property in respect of which the Receiver is appointed and for that purpose take any proceedings in the name of the Chargor in respect of which the Receiver is appointed or otherwise as may seem expedient;
- (b) to carry on or manage or develop or diversify or concur in carrying on or managing or developing or diversifying the business of the Chargor in respect of which the Receiver is appointed and for that purpose raise money on any part of the property in respect of which the Receiver is appointed in priority to this Security or otherwise;
- (c) to raise and borrow money for any other purpose, whether secured on the security of any of the Charged Assets or not and either in priority to the security constituted by this Deed or otherwise and generally on any terms and for whatever purpose consistent with his appointment which he thinks fit;
- (d) to sell or assign all or any of the Book Debts of the Chargor in respect of which the Receiver is appointed in such manner, and generally on such terms and conditions, as he thinks fit;

- (e) to appoint, hire and employ officers, employees, contractors, agents and advisors of all kinds as the Receiver shall deem necessary or appropriate and to discharge any such persons and any such persons appointed, hired or employed by the Chargor in respect of which the Receiver is appointed;
- (f) to enter on or otherwise take possession of the Charged Assets of the Chargor in respect of which the Receiver is appointed to make and effect any repairs, renewals, improvements, add to or develop or to complete any Work In Progress of the Chargor or building or structure which may be unfinished and to maintain or renew all Insurances;
- (g) to employ, hire and appoint officers, employees, contractors, agents and advisors to assist in carrying on and managing the business of the Chargor in respect of which the Receiver is appointed and to terminate any appointment or contract of employment (whether or not pre-dating his appointment as Receiver);
- (h) to redeem any Security Interest on, over or affecting the Charged Assets of the Chargor in respect of which the Receiver is appointed or any part thereof;
- (i) to promote or procure the formation of any new company and, in the case of such new company:
 - (i) to subscribe for or acquire (for cash or otherwise) any investment therein;
 - (ii) to sell, transfer, assign, hire out and lend, and grant leases, tenancies and rights of user of, the Charged Assets to any such new company and accept as consideration or part of the consideration therefor any shares or other security in or of any company or allow the payment of the whole or any part of such consideration to remain deferred or outstanding; and
 - (iii) to sell, transfer, assign, exchange and otherwise dispose of or realise any such shares or other security or deferred consideration or part thereof or any rights attaching thereto;
- (j) to grant any lease, licence or tenancy or right of or affecting the Charged Assets of the Chargor in respect of which the Receiver is appointed for any term or term of years at any or no rent or fee and with or without any premium and accept the surrender of any lease or tenancy or right and give a valid receipt for any premium payable on such grant or surrender and to amend or vary any lease, licence, agreement or other arrangement in any way relating to or affecting such Charged Assets;
- (k) to sell (whether by public auction, private contract or otherwise) all or any of the Charged Assets of the Chargor in respect of which the Receiver is appointed on any terms and for any consideration (including for deferred consideration or a consideration payable wholly or partly in instalments or consisting in whole or in part of shares or securities of any other company or of any other non-cash asset);
- (l) to enter and perform, repudiate, rescind or vary such contracts and arrangements to which the Chargor in respect of which the Receiver is appointed is a party or incur any obligations in relation thereto;
- (m) take any Indemnity from the Chargor in respect of which the Receiver is appointed from and against all actions, claims, expenses, demands and liabilities whether arising out of

contract or out of tort or in any other way incurred by the Receiver or by any manager, agent, officer, servant or workman for whose debt, default or miscarriage he may be answerable for anything done or omitted to be done in the exercise or purported exercise of his powers under this Deed or under any appointment duly made by the Receiver and if he thinks fit but without prejudice to the foregoing to effect with any insurance company or office or underwriters any policy or policies of insurance either in lieu or satisfaction of or in addition to such indemnity from the Chargor;

- (n) to disclaim, abandon or disregard all or any of the outstanding contracts of the Chargor in respect of which the Receiver is appointed and to allow time for payment by or to the Chargor of any debts either with or without security;
- (o) to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor in respect of which the Receiver is appointed or relating in any way to the Charged Assets of the Chargor or otherwise as the Lender or the Receiver may think expedient;
- (p) to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets (or any part thereof) or any of the businesses of the Chargor in respect of which the Receiver is appointed;
- (q) to exercise all voting and other rights attaching to the Securities;
- (r) to sell, license or otherwise dispose of any Intellectual Property Rights the subject of the Security whether in consideration of a royalty or other periodical payment or otherwise;
- (s) to exercise, in relation to any Charged Assets of the Chargor in respect of which the Receiver is appointed, all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Charged Asset; and
- (t) to do all such other acts and things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred on or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, each Chargor in respect of which the Receiver is appointed and the preservation, improvement, collection and/or realisation of Charged Assets and the execution of documents in the name of the Chargor (whether by hand or as a deed of the Chargor)).

13.5 Application of Monies by Receiver

All monies received by any Receiver shall be applied by him for the following purposes (subject to the claims of secured and unsecured creditors (if any) ranking in priority to or *pari passu* with the security hereby constituted) in the following order:

- (a) in payment of all costs, charges and expenses of and incidental to the appointment of any Receiver and the exercise of all or any of the powers aforesaid and of all outgoings paid by any Receiver;
- (b) in payment of remuneration to any Receiver at such rate as may be agreed between him and the Lender;
- (c) in or towards payment and discharge of the Secured Obligations; and

- (d) in payment of any surplus to the Chargor in respect of which the Receiver is appointed or any other person lawfully entitled thereto.

14 SET-OFF

Without prejudice to any right of set-off or any similar right to which the Lender may be entitled at law or in equity and without prejudice to anything else herein contained, the Lender may at any time after the Security has become enforceable in accordance with Clause 11 (*When security becomes enforceable*) and without further notice to or further authorisation from the Chargor, combine and consolidate all or any accounts of the Chargor with the Lender and/or set-off any monies in such accounts against any monies owed by the Chargor (whether actual or contingent) to the Lender, regardless of the place of payment or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

15 RELEASE OF SECURITY

15.1 Release of Security

Subject to and without prejudice to Clause 15.3 (*Avoidance of Payments*), after the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all the relevant commitments of the Lender cancelled, the Lender shall, as soon as reasonably practicable thereafter and at the request and cost of the Chargor, execute and do all such deeds, acts and things as may be necessary to release the Security.

15.2 Entitlement to retain Security

If any payment or discharge of the Secured Obligations is, in the reasonable opinion of the Lender, liable to be avoided or invalidated under any enactment relating to bankruptcy or insolvency, the Lender may refuse to grant any release of the Security for such further period as the risk of such avoidance or invalidity continues.

15.3 Avoidance of payments

No assurance, security or payment which may be avoided or adjusted under law, including under any statute relating to bankruptcy or insolvency and no release, settlement or discharge given or made by the Lender on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Lender to recover the Secured Obligations from the Chargor (including any monies which the Lender may be compelled to pay or refund under the laws of insolvency and any costs payable by them pursuant to or otherwise incurred in connection therewith) or to appoint a Receiver and enforce the Security to the full extent of the Secured Obligations.

16 WAIVER OF DEFENCES

16.1 The obligations of the Chargor under this Deed will not be affected by any act, omission or circumstances which, but for this Clause 16 (*Waiver of Defences*), might operate to release or otherwise exonerate the Chargor from its obligations under this Deed or affect such obligations in whole or in part including and whether or not known to the Chargor, the Lender:

- (a) any time, waiver or consent granted to or composition with any other person;
- (b) the release of any persons from their obligations under any Finance Document or any Security Interest or guarantee granted in connection therewith;

- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against or security over assets of any person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security instrument including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under a Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under a Finance Document or any other document or security instrument;
- (g) any insolvency or similar proceedings; or
- (h) any other act, event or omission which, but for this Clause 16 (*Waiver of Defences*) might operate to discharge, impair or otherwise affect any of the obligations of the Chargor under this Deed or any of the rights, powers or remedies conferred upon the Lender by a Finance Document or by law.

17 NEW ACCOUNT

If the Lender receives, or is deemed to be affected by actual or constructive notice of any subsequent Security Interest or other interest affecting the Charged Assets (or any part thereof), the Lender may open a new account for the Chargor. If the Lender does not open a new account then, unless the Lender gives express written notice to the contrary to the Chargor, the Lender will be treated as if it had done so at the time when it received or was deemed to have received notice and as from that time all monies paid by the Chargor shall be credited or be treated as having been credited to the new account and will not operate to reduce the amount due from the Chargor to the Lender at the time when the Lender received or was deemed to have received that notice and furthermore the Lender may forthwith discontinue any guarantee or any other facility given or granted on the account of the Chargor.

18 APPLICATION OF PROCEEDS

18.1 Application of proceeds

Any monies received by the Lender after the Security has become enforceable in accordance with Clause 11 (*When security becomes enforceable*) shall be applied in the following order of priority:

- (a) in payment of all costs (including break-costs), charges and expenses incurred by the Lender or any Receiver under or in connection with this Deed including all remuneration due to any Receiver;
- (b) in or towards payment of the Secured Obligations; and
- (c) in payment of the surplus (if any) to the Chargor or any other person entitled to it.

18.2 Other claims

Without prejudice to the right of the Lender to recover any shortfall from the Chargor, the provisions of Clause 18.1 (*Application of proceeds*) are subject to the payment of any claims having priority over the Security.

19 SUSPENSE ACCOUNT

Any monies received, recovered or realised by the Lender under this Deed (including the proceeds of any conversion of currency) may, at the discretion of the Lender, be credited to any interest-bearing suspense account maintained with any bank, building society or financial institution as it considers appropriate and may be held in such account for so long as the Lender may think fit pending the application thereof from time to time (as the Lender is entitled to do in its discretion) in or towards the discharge of the Secured Obligations (or any part thereof) and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense account referred to above.

20 POWER OF ATTORNEY

20.1 Appointment and powers

The Chargor by way of security hereby irrevocably appoints (in the case of those matters referred to in Clause 20.1(b) below with immediate effect but otherwise from the Security becoming enforceable in accordance with Clause 11 (*When security becomes enforceable*)) the Lender and every Receiver jointly and severally to be its attorney in its name and on its behalf:

- (a) to execute and complete any documents or instruments to which the Lender or such Receiver may require for perfecting the title of the Lender to the Charged Assets or for vesting the same in the Lender or any nominee or purchaser;
- (b) to sign, execute, seal and deliver and otherwise perfect any further security document or instrument required to be provided to the Lender pursuant to Clause 5.4 (*Further assurances*); and
- (c) otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Lender or a Receiver under this Deed or which may be deemed expedient by the Lender or a Receiver in connection with any disposition, realisation or getting in by the Lender or such Receiver of such Charged Assets or any part thereof or in connection with any other exercise of any power under this Deed.

20.2 Ratification

The Chargor ratifies and confirms whatever any such attorney appointed under Clause 20.1 (*Appointment and powers*) shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in such Clause.

21 EXPENSES AND INDEMNITY

21.1 Expenses

The Chargor shall pay to the Lender and/or each Receiver, attorney or delegate duly appointed by the Lender and/or Receiver under this Deed the amount of all costs and expenses (including legal fees) together with any applicable value added tax payable thereon which are incurred by it or them in connection with:

- (a) the preparation, negotiation and execution of this Deed;
- (b) the perfection of any Security created or purported to be created pursuant to this Deed; and
- (c) the enforcement and preservation of the Lender's rights under this Deed.

21.2 Indemnity

The Chargor shall indemnify the Lender and any Receiver appointed by it against all actions, claims, demands, losses, expenses or liabilities of whatever nature hereafter incurred by them or any officer, agent or employee for whose liability act or omission they or any of them may be answerable for anything done or omitted in (i) the purported exercise or the powers contained in this Deed, (ii) occasioned by any breach by the Chargor of any of its covenants or other obligations to the Lender, (iii) any failure on the part of the Lender to perform any obligations of the Chargor as a result of the grant of Security under this Deed, and (iv) in consequence of any payment in respect of the Secured Obligations (whether made by the Chargor or a third person) being declared void or impeached for any reason unless such loss or damage shall be caused by the Lender's or Receiver's own fraud or wilful neglect or gross negligence.

22 CURRENCIES

- 22.1 All monies received or held by the Lender or a Receiver under this Deed may from time to time after demand has been made be converted into such other currency as the Lender considers necessary or desirable to cover the obligations of the Chargor in that currency at the then prevailing spot rate of exchange (as conclusively determined by the Lender) for purchasing the currency to be acquired with the existing currency. The Chargor shall indemnify the Lender against the full euro cost (including all costs charges and expenses) incurred in relation to such conversion of currency. Neither the Lender nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after such sale.
- 22.2 No payment to the Lender (whether under any judgment or court order or otherwise) will discharge the obligation or liability of the Chargor in respect of which it was made and until the Lender receives payment in full in the currency in which such obligation or liability was originally incurred and to the extent that the amount of any such payment, on actual conversion into such currency, falls short of such obligation or liability expressed in that currency, the Lender for itself and on behalf of the Lender shall have a further separate cause of action against the Chargor and will be entitled to enforce the charges created by this Deed to recover the amount of any shortfall.

23 TRANSFERS

23.1 Transfer by Chargor

The Chargor may not assign or otherwise transfer all or any of its rights, benefits or obligations under this Deed.

23.2 Transfer by the Lender

- (a) The Lender may at any time assign and transfer all or any of its rights or obligations under this Deed to any person and shall be entitled to disclose such information concerning the Chargor under this Deed as the Lender considers appropriate to any person, including any actual or prospective direct or indirect successor, assignee or transferee or any person to whom the information may be required to be disclosed by any applicable law.
- (b) In the event of assignment or transfer by the Lender pursuant to Clause 23.2(a) above, the Chargor shall at the request of the Lender join in such assignment, transfer or other document so as to cause full beneficial title to the Security to be passed to the relevant assignee or transferee.

24 NOTICES

24.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing, in the English language and may be delivered by hand, sent by fax, sent by prepaid post (including via airmail to another jurisdiction) or sent by email.

24.2 Addresses

The address, fax number and email address (and the department or officer, if any, for whose attention the communication is to be made) for each party for any communication or document to be made or delivered under or in connection with this Deed is that identified with its name below or any substitute address, fax number, email address or department or officer as a party may notify to the others by not less than five (5) Business Days' notice in writing:

Each Chargor:	To the name, address, facsimile number and email address set out opposite its name in Schedule 1 hereto.
The Lender:	
Name:	Bank of Ireland Corporate Banking
Address:	Burlington Plaza 2, Burlington Road, Dublin 4
Attention:	Mr Adrian Behan
Facsimile No:	+353 76 62 44661
Email Address:	Adrian.Behan@boi.com

24.3 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

- (a) If delivered by hand, on delivery;
- (b) If sent by fax, when received in readable form;
- (c) If sent by prepaid post, twenty-four (24) hours after posting; or
- (d) If sent by email, at the time of sending the email provided that it is in readable form,

provided that if, in accordance with the above provisions, any such notice or other communication would otherwise be deemed to be given or made outside working hours (between 9am and 5pm Dublin time on a Business Day) such notice or other communication shall be deemed to be given or made at the start of working hours on the next succeeding Business Day.

25 MISCELLANEOUS

25.1 No waivers, cumulative remedies

The rights of the Lender and any Receiver may be exercised as often as necessary, are cumulative and are in addition to its respective rights under general law. No failure or delay on the part of the Lender or any Receiver to exercise, or any partial exercise of any power, right or remedy shall operate as a waiver of that power, right or remedy or preclude its further exercise or the exercise of any other power, right or remedy.

25.2 Severability

If any of the provisions of this Deed is or becomes invalid, illegal or unenforceable, that shall not affect the validity, legality or enforceability of any other provision in this Deed.

25.3 Variation

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

25.4 Unfettered discretion

Save as otherwise stated in this Deed, any liability or power which may be exercised or any determination which may be made under this Deed by the Lender may be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give reasons therefor.

26 COUNTERPARTS

This Deed may be executed in any number of counterparts and all those counterparts taken together shall be deemed to constitute one and the same instrument.

27 GOVERNING LAW AND JURISDICTION

27.1 This Deed and all relationships created hereby in all respects will be governed by and construed in accordance with the laws of Northern Ireland.

27.2 The Chargor hereby agrees for the exclusive benefit of the Lender that any legal action or proceedings ("Proceedings") brought against the Chargor with respect to this Deed may be brought in the High Court in Northern Ireland or such competent Court of Northern Ireland as the Lender may elect and the Chargor waives any objection to the bringing of Proceedings in such courts whether on grounds of venue or on the grounds that such Proceedings have been brought in an inconvenient forum. The Chargor undertakes to enter an unconditional appearance within ten (10) Business Days after the completion of any service or process in any Proceedings. The Chargor hereby consents to the service by post of any process issued in connection with this Deed. Nothing in this Deed will affect the right to serve process in any other manner permitted by law.

27.3 Nothing contained in this Deed would limit the right of the Lender to take Proceedings against the Chargor in any other court of competent jurisdiction, nor will the taking of any such Proceedings in any one or more jurisdictions preclude the taking by the Lender of Proceedings in any other jurisdiction whether concurrently or not.

IN WITNESS whereof the parties have executed this Debenture as a deed and delivered same on the date first written above.

SCHEDULE 1**The Chargor**

Company Name	Company Number and Jurisdiction	Registered Office	Contact Details
A.B. Distributors Limited	NI008366 Northern Ireland	2 Cromac Place The Gasworks Ormeau Road Belfast BT7 2JB	Attention: Frank Murphy Address: Gowan Group House, Herbert Avenue, Merrion Road, Dublin 4 Email: FMurphy@gowangroup.ie

Part 2

Borrowers

Company Name	Company Number and Jurisdiction	Registered Office	Contact Details
Convest Group Limited	30571 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Gowan Group Limited	28981 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Gowan Distributors Limited	29582 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Gowan Motor Retail Group Limited	23389 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Go Automotive Distributors Limited	90199 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Gowan Energy Management Services Limited	481748 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie

Kitchen Accessories Limited	83226 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Gowan Motors (Merrion) Limited	41417 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Gowan Motors (Dun Laoghaire) Limited	325279 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Campbell & Cooke Limited	33011 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Zenith Electrical Appliances Limited	361473 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Edhurst Limited	265059 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Senator Windows Limited	106356 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Senator Windows Sales Limited	109148 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6

			Email: FMurphy@gowangroup.ie
Alton Management Limited	3919R Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
Appian Holdings Limited	4887 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6 Email: FMurphy@gowangroup.ie
A.B. Distributors Limited	NI008366 Northern Ireland	2 Cromac Place The Gasworks Ormeau Road Belfast BT7 2JB	Attention: Frank Murphy Address: Gowan Group House, Herbert Avenue, Merrion Road, Dublin 4 Email: FMurphy@gowangroup.ie
Leeson Motors Limited	66136 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6. Email: fmurphy@gowangroup.ie
Gowan Investments Limited	01403116 England and Wales	27-28 Eastcastle Street, London W1W 8DH England	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6. Email: fmurphy@gowangroup.ie
Cloncurry Estates Limited	99713 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6. Email: fmurphy@gowangroup.ie
Gowan Motors (Parkgate) Limited	16381 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6. Email: fmurphy@gowangroup.ie
Heuston Property Trading and Development Company Limited	434606 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6. Email: fmurphy@gowangroup.ie
Drimnagh Castle Property Developments Limited	648604 Ireland	8 Appian Way Ranelagh Dublin 6	Attention: Frank Murphy Address: 8 Appian Way Ranelagh Dublin 6. Email: fmurphy@gowangroup.ie

Part 2

Notice of Assignment of Material Contracts

From: *[the Chargor]* (the "Chargor")

To: *[Counterparty]* (the "Contractual Party")

Date: 2019

Re: *[Insert contract description]* between [(1) the Chargor and (2) the Contractual Party]
[insert correct party details as appropriate] (the "Agreement")

Dear Sirs

We hereby give you notice that we have assigned by way of security to The Governor and Company of the Bank of Ireland (as Lender) (the "**Lender**" which term shall include its successors and assigns) pursuant to a Debenture dated 2019 entered into, *inter alia*, by us in favour of the Lender (the "**Debenture**") all our right, title and interest in (but not our obligations) to and under the Agreement.

We confirm that:

- (a) for the avoidance of doubt, we will remain liable under the Agreement to perform all the obligations assumed by us under the Agreement; and
- (b) at no time will the Lender, any of its agents, any Receiver nor any other person be under any obligation or liability to you under or in respect of the Agreement.

We remain entitled to exercise all our rights, powers and discretions under the Agreement and you should continue to give notices under the Agreement to us, unless and until you receive notice (the "**Default Notice**") from the Lender to the contrary stating that the security constituted by the Debenture has become enforceable.

Immediately following receipt of a Default Notice:

- (a) all payments from you under or arising from the Agreement should be made to such account(s) as may from time to time be notified to you in writing by the Lender;
- (b) all remedies provided for in the Agreement or available at law or in equity are exercisable by the Lender;
- (c) all rights to compel performance of the Agreement are exercisable by the Lender; and

- (d) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Agreement belong to the Lender.

This notice and the terms set out herein shall be irrevocable save as otherwise advised in writing by the Lender. This notice shall be governed by and construed with the laws of Northern Ireland.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning same to the Lender at 40 Mespil Road, Dublin 4 marked for the attention of Colin Moran.

Yours faithfully

for and on behalf of
[Chargor]

Part 3

Acknowledgement of Notice of Assignment of Material Contracts

To: The Governor and Company of the Bank of Ireland (the "Lender")
For the attention of:

Date: 2019

Re: *[Insert contract description]* between (1) *[Chargor]* (the "Chargor") and (2) the Contractual Party (the "Agreement")

Dear Sirs

We acknowledge receipt of a notice in the terms attached (the "Notice") and confirm our consent to the assignment and charge referred to therein. We further confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Agreement as referred to in the Notice. Terms defined in the Notice shall have the same meanings herein.

With effect from the receipt by us of the Default Notice (as defined in the Notice), we shall pay all monies due by us under or arising from the Agreement in the manner specified in the Notice.

We further confirm that no amendment, waiver or release of any such rights, interests and benefits shall be effective without your prior written consent. Furthermore we confirm that no breach or default on the part of the Chargor of any of the terms of the Agreement shall be deemed to have occurred unless we have given notice of such breach to you specifying how to make good such breach.

We also confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any amount due under the Agreement.

for and on behalf of
[Insert details of Counterparty]

Part 2

Notice of Assignment of Insurances

From: [Chargor]

To: [Insurance Company]

Date: 2019

Re: [Insert details of Insurance Policy] (the "Policy")

Dear Sirs

We hereby give you notice that we have assigned by way of security to The Governor and Company of the Bank of Ireland (as Lender) (the "**Lender**", which term shall include its successors and assigns) pursuant to a Debenture dated 2019 entered into, *inter alia*, by us in favour of the Lender (the "**Debenture**") all our right, title and interest in, to and under the Policy including all monies payable thereunder, proceeds of all claims, awards and judgments and all other insurances entered into supplemental to or in replacement of such Policy.

We will remain liable to perform all our obligations under the Policy and the Lender (as referred to in the Debenture) is not under any obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy.

We irrevocably instruct and authorise you, after receipt of this notice, to make all payments under or arising under the Policy to such accounts as may from time to time be notified to you by the Lender.

Please note that all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy belong to the Lender.

We hereby instruct you to note the interest of the Lender on the Policy as co-insured and in amounts over [] as first loss payee and authorise you to disclose to the Lender, without further approval from us, such information regarding the Policy as the Lender may from time to time request and to send it copies of all notices issued by you under the Policy.

This notice and the terms set out herein shall be irrevocable save as otherwise advised in writing by the Lender and shall be governed by and construed with the laws of Northern Ireland.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning same to the Lender at 40 Mespil Road, Dublin 4 marked for the attention of Colin Moran.

Yours faithfully

Part 3

Acknowledgement of Notice of Assignment of Insurances

To: The Governor and Company of the Bank of Ireland (the "Lender")
For the attention of:

Date: 2019

Re: *[Insert details of Insurance Policy] (the "Policy")*

Dear Sirs

We confirm receipt from [•] (the "Chargor") of a notice dated 2019 (the "Notice") of an assignment upon the terms of a Debenture dated 2019 (the "Debenture") between, *inter alia*, (1) the Chargor and (2) the Lender in respect of all the Chargor's rights, title, interest and benefit in, to and under the Policy (as specified in the Notice).

We confirm that we have not received notice of any assignment or charge of or over any of the right, interests and benefits specified in the Notice and will make all payments to any account as may from time to time be specified by you.

We acknowledge that the Chargor will remain liable to perform all of its obligations under the Policy and that the Lender is under no obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy.

This letter is governed by and will be construed in accordance with the laws of Northern Ireland.

Yours faithfully

[Insert name of insurance company]

Part 2

Notice of Assignment of Security Account

From: [Chargor]

To: The Governor and Company of the Bank of Ireland

Date: 2019

Re: Account No. [insert Security Account details], Sort Code [insert details] at [insert details of bank branch] (the "Security Account")

Dear Sirs

We hereby give you notice that we have assigned by way of security to The Governor and Company of the Bank of Ireland (as Lender) (the "**Lender**", which term shall include its successors and assigns) pursuant to a Debenture dated 2019 entered into, *inter alia*, by us in favour of the Lender (the "**Debenture**"), all of our rights, title and interest in and to the Security Account and all outstanding to the credit thereof from time to time. After receipt of this notice you are irrevocably authorised and instructed to:

- (a) disclose to the Lender any information relating to the Security Account requested from you by the Lender;
- (b) comply with the terms of any written notice or instruction relating to the Security Account received by you from the Lender;
- (c) hold all sums standing to the credit of the Security Account to the order of the Lender; and
- (d) pay or release any sum standing to the credit of the Security Account in accordance with the written instructions of the Lender.

We are not permitted to withdraw any amount from the Security Account without the prior written consent of the Lender. We acknowledge that you may comply with the instructions in this letter without any further permission from us. This notice and the terms set out herein shall be irrevocable save as otherwise advised in writing by the Lender. This notice shall be governed by and construed with the laws of Northern Ireland.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Lender at 40 Mespil Road, Dublin 4 marked for the attention of Colin Moran.

Yours faithfully

Part 3

Acknowledgement of Notice of Assignment of Security Account

To: The Governor and Company of the Bank of Ireland (the "**Lender**")
For the attention of:

Copy: [*Chargor*] (the "**Chargor**")

Date: 2019

Re: [**Insert Account details**] (the "**Security Account**")

Dear Sirs

We confirm receipt from the Chargor of a notice dated 2019 (the "**Notice**") with respect to an assignment under the terms of a Debenture dated 2019 entered into, *inter alla*, between you and the Chargor (the "**Debenture**") over all the right, title and interest of the Chargor to any amount standing to the credit of the Security Account.

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received notice of the interest of any third party in the Security Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counterclaim or other right in respect of the Security Account; and
- (d) will not permit any amount to be withdrawn from the Security Account without your prior written consent.

This letter shall be governed by and construed with the laws of Northern Ireland.

Yours faithfully

For and on behalf of

The Governor and Company of the Bank of Ireland

EXECUTION PAGE

THE CHARGOR

EXECUTED as a DEED by

A.B. DISTRIBUTORS LIMITED

(Incorporated in Northern Ireland with company number NI008366)

acting by a single director

In the presence of:

Witness Signature:

Name:

Address:

Occupation:


Director



PATRICK RYAN

40 Upper Mount Street

Dublin 2

Director

THE LENDER

SIGNED by a duly authorised signatory
for and on behalf of
**THE GOVERNOR AND COMPANY
OF THE BANK OF IRELAND**
In the presence of:



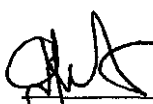
Authorised Signatory

Witness Signature:

Name:

Address:

Occupation:



Gregory Martin
Ap 1, Heaney,
Linden Court,
Shillong, Co. Dublin
Bank Manager