

254469/13

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

MR01

Particulars of a charge



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

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

☒ **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.companieshouse.gov.uk

COMPANIES HOUSE

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

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

WEDNESDAY



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A11

02/09/2015

#371

For official use

1 | 8 |

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

All fields are mandatory unless
specified or indicated by *

1 Company details

Company number 0 0 0 5 8 5 8 8

Company name in full Siddall and Hilton, Limited

2 Charge creation date

Charge creation date 2 7 0 8 2 0 1 5 /

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 Lloyds Bank PLC

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

Brief description

N/A

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

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

Walter Morris LLP

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 Zenia McDermott (ZFM/LB 2-1318)

Company name Walker Morris LLP

Address Kings Court

12 King Street

Post town Leeds

County/Region

Postcode L S 1 2 H L

Country

DX DX 12051 Leeds 24

Telephone 0113 2832500



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 £13 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.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

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



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number. 58588

Charge code: 0005 8588 0018

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th August 2015 and created by SIDDALL AND HILTON,LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd September 2015.

pk

Given at Companies House, Cardiff on 7th September 2015



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 27 August 2015

SIDDALL AND HILTON LIMITED (1)

and

LLOYDS BANK PLC (2)

DEBENTURE

WALKER MORRIS LLP

Kings Court
12 King Street
LEEDS
LS1 2HL

Tel 0113 2832500
Fax 0113 2459412
Ref CAR/LB 2-1318

**I/WE CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO S.859G OF THE COMPANIES ACT 2006,
THIS COPY INSTRUMENT IS A CORRECT COPY OF
THE ORIGINAL INSTRUMENT**

WALKER MORRIS LLP 01.09.2015

WALKER MORRIS LLP

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THIS DEBENTURE is made on 27 August 2015

BETWEEN

- (1) **SIDDALL AND HILTON LIMITED** (company number 00058588) whose registered office is at Siddil Business Park, Holmfild, Halifax, West Yorkshire HX2 9TN (the **Company**), and
- (2) **LLOYDS BANK PLC** (company number 00002065) whose registered office is at 25 Gresham Street, London EC2V 7HN and whose address for communications under this Debenture is c/o Lloyds Banking Group, Glasgow Securities Centre, 5th Floor, 110 St Vincent Street, Glasgow G25ER (the **Bank**)

IT IS AGREED:

1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Debenture the following words and expressions shall have the following meanings

“Charged Property” means all assets, rights and property of the Company the subject of any security created hereby or pursuant hereto and each and every item included therein or part or parts thereof and references to the Charged Property include references to any part of it,

“Credit Agreements” means all agreements now or hereafter entered into by the Company under which the Company has provided or agreed to provide credit (as defined by section 9 of the Consumer Credit Act 1974) to any person of any amount and all agreements now or hereafter entered into by any person other than the Company under which credit (as so defined) is provided or agreed to be provided and the benefit of which is assigned to or otherwise vested in the Company,

“Charged Securities” means

- (a) all those Securities which (or the certificates of which) are now or may at any time in the future be
- (i) lodged with or held (in certificated or uncertificated form) by the Bank or its agents on behalf or for the account of the Company,
- or

- (ii) transferred to or registered in the name of the Bank or its nominee(s) on behalf or for the account of the Company, or
- (iii) held (whether in certificated or uncertificated form) by any person other than the Company for or to the order of the Bank or its nominee(s) at the request of or by arrangement with the Company, or
- (iv) held in uncertificated form by a member of CREST or any other similar system (including the Company itself if a member of CREST or other similar system) where the Bank or its nominee(s) may to the exclusion of the member of the system direct the transfer of such Securities,

(whether lodged, held, transferred or registered for safe custody, collection, security or for any specific purpose or generally and either before or after the date hereof), and

- (b) the benefit of all agreements, arrangements, undertakings or accounts under which any person holds on behalf of or on trust for the Company or has an obligation to deliver or transfer, any such Securities to the Company or to the order of the Company, and
- (c) all those Securities held by the Company in any subsidiary undertaking as defined in Section 1162 (together with Schedule 7) of the Companies Act 2006,

“Enfranchising Legislation” means any legislation conferring upon a tenant or tenants of property (whether individually or collectively with other tenants of that or other properties) the right to acquire a new lease of that property or to acquire or require the acquisition by a nominee of the freehold or any intermediate reversionary interest in that property including (without limitation) the Leasehold Reform Act 1967 and the Leasehold Reform, Housing and Urban Development Act 1993 and the Commonhold and Leasehold Reform Act 2002 but does not include Part II of the Landlord and Tenant Act 1954,

“Environmental Laws” means all laws (statutory, common law or otherwise) including, without limitation, circulars, guidance notes and codes of practice from time to time regulating the control and prevention of pollution to land water or atmosphere

and/or the carrying on of any process or activity on premises and any emissions from and all waste produced by such installations and/or process or activity and any chemicals or substances relating to the same whether relating to health and safety, the workplace, the environment or the provision of energy (including without limitation the Health and Safety at Work etc Act 1974, the Control of Pollution Act 1974, the Environmental Protection Act 1990, the Environment Act 1995, the Water Industry Act 1991, the Water Resources Act 1991, the Statutory Water Companies Act 1991, the Water Consolidation (Consequential Provisions) Act 1991, the Water Act 2003, the Clean Air Act 1993, the Alkali, etc., Works Regulation Act 1906, the Planning (Hazardous Substances) Act 1990, the Public Health Acts and the Radioactive Substance Act 1993 and any European Union directives or regulations regulating the same) from time to time in force and any other instrument, plan, regulation, permission, authorisation, order or direction made or issued thereunder or deriving validity therefrom,

“Environmental Licence” means any permit, licence, authorisation, consent or other approval required by or given pursuant to any Environmental Laws,

“Event of Default” means

- (a) the Company fails to pay any part of the Secured Obligations when they fall due for payment (and for these purposes, for the avoidance of doubt, any sum expressed to be payable on demand shall be due on the date of demand made by the Bank),
- (b) an Insolvency Event occurs in relation to the Company (or any other Security Party),
- (c) the Company (or any other Security Party) is in breach of the provisions of any document or documents under which the Secured Obligations are constituted or any event of default or termination event (howsoever defined or described) in any document or documents under which the Secured Obligations are constituted, and/or
- (d) the security constituted by this Debenture and/or any other guarantee, security or other document or arrangements relied upon by the Bank in connection with the Secured Obligations ceases to be legal, valid, binding, enforceable or effective,

"Excluded Real Property" means

- (a) the property situated at No 406, Ocean Place, Paradise Island, The Bahamas, and
- (b) any other real property which the Bank and the Company have specifically agreed shall constitute Excluded Real Property for the purposes of this Debenture by executing an excluded property confirmation deed in the form prescribed in Schedule 4 (*Form of excluded real property confirmation deed*),

"Financial Collateral" has the meaning given to that expression in the Financial Collateral Regulations,

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

"Hiring Agreements" means all agreements (not being Credit Agreements) now or hereafter entered into by the Company for the bailment or (in Scotland) the hiring of goods to any person and all agreements (not being Credit Agreements) now or hereafter entered into by any person other than the Company for such bailment or (in Scotland) hiring the benefit of which is assigned to or otherwise vested in the Company,

"Insolvency Event" in relation to the Company means each of the following

- (a) a meeting is convened for the purpose of considering a resolution to wind up the Company,
- (b) such a resolution as is mentioned in paragraph (a) is passed,
- (c) a meeting of the directors or members of the Company is convened for the purpose of considering a resolution to seek a winding up order, an administration order or the appointment of an administrator,
- (d) such a resolution as is mentioned in paragraph (c) is passed,
- (e) a petition for a winding up or an application for an administration order is made by the Company or its directors or members or is presented against the Company,
- (f) such an order as is mentioned in paragraph (e) is made,

- (g) a notice of appointment of or notice of intention to appoint an administrator is issued by the Company or its directors or members or by the holder of a qualifying floating charge or a proposal is made for, or the Company becomes subject to, any voluntary arrangement,
- (h) a receiver (administrative or otherwise) is appointed over all or part of the Company's assets,
- (i) the Company takes part in any action (including entering negotiations) with a view to readjustment, rescheduling, forgiveness or deferral of any part of the Company's indebtedness,
- (j) the Company proposes or makes any general assignment, composition or arrangement with or for the benefit of all or some of the Company's creditors,
- (k) the Company suspends or threatens to suspend making payments to all or some of the Company's creditors,
- (l) any action is taken in any jurisdiction which is similar or analogous to any of the foregoing, or
- (m) the Bank has reasonable grounds for believing that any of the foregoing is imminent,

"Instalment Credit Agreements" means the Credit Agreements and the Hiring Agreements,

"Intellectual Property Rights" means

- (a) all present and future copyrights, patents, designs, trademarks, service marks, brand names, inventions, design rights, know-how, formulas, confidential information, trade secrets, computer software programs, computer systems and all other intellectual property rights whatsoever without any limitation, whether registered or unregistered, in all or any part of the world in which the Company is legally, beneficially or otherwise interested,
- (b) the benefit of any pending applications for the same and all benefits deriving therefrom and thereunder including but not limited to

royalties, fees, profit sharing agreements and income arising therefrom and all licences in respect of or relating to any intellectual property rights, whether such licences are granted to the Company or granted by the Company,

"Interests in Securities" means the Charged Securities and all stocks, shares, securities, rights, money or property or other assets accruing or offered at any time by way of conversion, redemption, bonus, preference, option or otherwise to or in respect of any of the Charged Securities including without limitation all dividends, interest and other income payable in connection therewith,

"Non-Vesting Debts" means all book and other debts which are purchased or purported to be purchased by the Bank pursuant to any debt purchase, invoice discounting or other financing arrangement relating to the purchase of any debts for the time being in force between the Company and the Bank but which fail to vest absolutely and effectively in the Bank for any reason,

"Planning Acts" means all legislation from time to time regulating the development, use, safety and control of property including without limitation the Town and Country Planning Act 1990 and any instrument, plan, regulation, permission and direction made or issued thereunder or deriving validity therefrom,

"Properties" means the Charged Property referred to in Clauses 4.1.1 and 4.1.2 (including, without limitation, the properties specified in Schedule 1 (*Properties*) (if any)),

"Related Rights" means in relation to any book or other debts

- (a) all security, bonds, guarantees, indemnities in relation to such debts,
- (b) the right to demand, sue for, recover, receive and give receipts for all amounts due and to become due under the contract or arrangement under which such debts arise,
- (c) the benefit of all covenants and undertakings from, and all causes and rights of action against, the debtor in respect of amount due and to become due under the contract or arrangement under which such debts arise and
- (d) all ledgers, documents, computer or electronic data (including operating systems) recording or evidencing such debts,

“Secured Obligations” means

- (a) all money and liabilities and other sums hereby agreed to be paid by the Company to the Bank, and
- (b) all other money and liabilities expressed to be secured hereby (including, without limitation, any expenses and charges arising out of or in connection with the acts or matters referred to in Clauses 6 (*Covenants of the Company*), 10 (*Appointment of an Administrator and Appointment and Powers of a Receiver*), 14 (*Indemnity*), 19 (*Payment and Costs*) and 23 (*Restriction of Liability of the Bank*)) and all other obligations and liabilities of the Company under this Debenture,

“Securities” means all stocks, shares, bonds, certificates of deposit, bills of exchange, depository receipts, loan capital, derivatives (including any currency or currency unit, interest rate or commodity hedging arrangement) and other securities of any kind (whether in certificated or uncertificated form and whether marketable or otherwise,

“Security Financial Collateral Arrangement” has the meaning given to that expression in the Financial Collateral Regulations, and

“Value Added Tax” includes any other form of sales or turnover tax

12 In this Debenture

- (a) The expressions the **“Company”** and the **“Bank”** where the context admits include their respective successors in title and/or assigns, whether immediate or derivative. Any appointment or removal under Clause 10 (*Appointment of Administrator and Appointment and Power of a Receiver*) or consents under this Debenture may be made or given in writing executed by any such successors or assigns of the Bank and the Company hereby irrevocably appoints each of such successors and assigns to be its attorney in the terms and for the purposes set out in Clause 13 (*Power of Attorney*),
- (b) unless the context requires otherwise
 - (i) the singular shall include the plural and vice versa,

- (ii) any reference to a person shall include an individual, company, corporation, limited liability partnership or other body corporate, joint venture, society or an unincorporated association, organisation or body of persons (including without limitation a trust and a partnership) and any government, state, government or state agency or international organisation (whether or not a legal entity) References to a person also include that person's successors and assigns whether immediate or derivative,
- (iii) the expression "**this Debenture**" means this debenture and shall extend to every separate and independent stipulation contained herein,
- (iv) any right, entitlement or power which may be exercised or any determination which may be made by the Bank under or in connection with this Debenture may be exercised or made in the absolute and unfettered discretion of the Bank which shall not be under any obligation to give reasons therefore,
- (v) references to any statutory provision (which for this purpose means any Act of Parliament, statutory instrument or regulation or European directive or regulation or other European legislation) shall include a reference to any modification re-enactment or replacement thereof for the time being in force, all regulations made thereunder from time to time and any analogous provision or rule under any applicable foreign law,
- (vi) for the avoidance of any doubt, the rights, powers and discretions conferred upon the Bank by or pursuant to this Debenture shall (unless otherwise expressly stated) apply and be exercisable regardless of whether a demand has been made by the Bank for the payment of the Secured Obligations or any of them and regardless of whether the power of sale or other powers and remedies conferred on mortgagees by the Law of Property Act 1925 or this Debenture shall have arisen or become exercisable, and

(vii) references to Clauses, sub-Clauses and schedules shall be references to Clauses, sub-Clauses and schedules of this Debenture

1 3 The Clause headings and marginal notes shall be ignored in construing this Debenture

1 4 The perpetuity period applicable to any trust constituted by this Debenture shall be 125 years

2 AGREEMENT TO PAY

The Company shall pay to the Bank in accordance with any relevant agreement between the Bank and the Company relating to the amounts hereby secured or, in the absence of any such agreement, on demand

2 1 all money and liabilities whether actual or contingent (including further advances made hereafter by the Bank) which now are or at any time hereafter may be due, owing or incurred by the Company to the Bank anywhere or for which the Company may be or become liable to the Bank in any manner whatsoever without limitation (and (in any case) whether alone or jointly with any other person and in whatever style, name or form and whether as principal or surety and notwithstanding that the same may at any earlier time have been due owing or incurred to some other person and have subsequently become due, owing or incurred to the Bank as a result of a transfer, assignment or other transaction or by operation of law),

2 2 interest on all such money and liabilities to the date of payment at such rate or rates as may from time to time be agreed between the Bank and the Company or, in the absence of such agreement, at the rate, in the case of an amount denominated in sterling, of two percentage points per annum above the Bank's base rate for the time being in force (or its equivalent or substitute rate for the time being) or, in the case of an amount denominated in any currency or currency unit other than sterling, at the rate of two percentage points per annum above the cost to the Bank (as conclusively determined by the Bank) of funding sums comparable to and in the currency or currency unit of such amount in the London Interbank Market (or such other market as the Bank may select) for such consecutive periods (including overnight deposits) as the Bank may in its absolute discretion from time to time select,

2 3 commission and other banking charges and legal, administrative and other costs, charges and expenses incurred by the Bank in relation to the Debenture or the Charged

Property (including any acts necessary to release the Charged Property from this security), or in enforcing the security hereby created on a full and unqualified indemnity basis, and

- 2.4 any fees charged by the Bank for the time spent by the Bank's officials, employees or agents in dealing with any matter relating to this Debenture. Such fees shall be payable at such rate as may be specified by the Bank

3 INTEREST

The Company shall pay interest at the rate aforesaid on the money so due (whether before or after any judgment which may be recovered therefore) upon such days in each year as the Bank and the Company shall from time to time agree or, in the absence of such agreement, as the Bank shall from time to time fix and (without prejudice to the right of the Bank to require payment of such interest) all such interest shall be compounded (both before and after any demand or judgment) upon such days in each year as the Bank shall from time to time fix

4 CHARGING PROVISIONS

- 4.1 The Company with full title guarantee and as a continuing security for the payment of the Secured Obligations hereby charges

4.1.1 by way of legal mortgage

- (a) the freehold and leasehold property (if any) of the Company as specified in Schedule 1 (*Properties*) to this Debenture and/or the proceeds of sale of those properties (and, where any such property is leasehold, any present or future right or interest conferred upon the Company in relation thereto by virtue of any Enfranchising Legislation including any rights arising against any nominee purchaser pursuant thereto) and all buildings and fixtures (including trade fixtures) fixed plant and machinery from time to time on any such property and all liens, mortgages, charges, options, agreements and rights, titles and interests (whether legal or equitable) of the Company in or over such property,
- (b) all other interests or estates in any freehold or leasehold properties belonging to the Company at the date hereof other than the Excluded Real Property (which, for the avoidance of doubt, shall be subject only to the floating charge granted pursuant to Clause 4.1.12) (and, where

any such property is leasehold, any present or future right or interest conferred upon the Company in relation thereto by virtue of any Enfranchising Legislation including any rights arising against any nominee purchaser pursuant thereto) and all buildings and fixtures (including trade fixtures) fixed plant and machinery from time to time on any such property and all liens, mortgages, charges, options, agreements and rights, titles and interests (whether legal or equitable) of the Company in or over such property

- 4 | 2 by way of specific equitable charge, all estates or interests in any freehold or leasehold properties (except the properties referred to in Clause 4 | 1(a) and 4 | 1(b) above and the Excluded Real Property) at any time after the date of this Debenture belonging to or charged to the Company and/or the proceeds of sale of those estates or interests together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery at any time on those estates or interests and all liens, mortgages, charges, options, agreements and rights, titles and interests (whether legal or equitable) of the Company in or over such property (and, where any such property is leasehold, any present or future right or interest conferred upon the Company in relation thereto by virtue of any Enfranchising Legislation including any rights arising against any nominee purchaser pursuant thereto),
- 4 | 3 by way of a first fixed charge, all the right, title and interest of the Company in all fixed plant and machinery on any freehold or leasehold property forming part of the Charged Property from time to time hired, leased or rented by the Company from third parties or acquired by the Company from third parties on a hire, instalment or conditional purchase basis including (without prejudice to the generality of the foregoing) the Company's right to any refund of rentals or other payments
- 4 | 4 by way of a first fixed charge, all book debts (including without limitation any book debts which are Non-Vesting Debts) both present and future due or owing to the Company or in which the Company is legally, beneficially or otherwise interested (and the proceeds thereof) and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) the Related Rights, negotiable or non-negotiable instruments, legal and equitable charges, reservation of proprietary rights, rights of tracing and unpaid vendors' liens and similar and associated rights

4 | 5 by way of first fixed charge, all other debts (including without limitation any other debts which are Non-Vesting Debts), claims, rights and choses in action both present and future of the Company or in which the Company is legally, beneficially or otherwise interested (and the proceeds thereof) including (without prejudice to the generality of the foregoing),

- (a) deposits and credit balances held by the Company with the Bank or any third party from time to time both present and future (including choses in action which give rise or may give rise to a debt or debts) owing to the Company (and the proceeds thereof),
- (b) any amounts owing to the Company by way of rent, licence fee, service charge or dilapidations by any tenant or licensee (in each case whether present or future) of any freehold or leasehold property from time to time forming part of the Charged Property and any ground rents and rent charges, rent deposits and purchase deposits owing to the Company (and, in each case, the proceeds thereof),
- (c) without prejudice to paragraph (d) below, any amounts owing or which may become owing to the Company under any building, construction or development contract or by virtue of the Company's rights under any retention or other trusts, whether or not any certificate as to the amount due has been issued in respect thereof (and the proceeds thereof),
- (d) without prejudice to paragraph (e) below, all rights (and the proceeds of such rights) present or future, actual or contingent, arising under or in connection with any contract whatsoever in which the Company has any right, title or interest (including, without limitation, all policies and contracts of insurance and assurance (but excluding contracts and policies and contracts of insurance and assurance to the extent that they relate only to the Excluded Real Property),
- (e) any amounts owing or which may become owing to the Company by way of damages, compensation or otherwise under any judgment or order of any competent authority howsoever arising or by way of settlement or compromise of any legal proceedings, and

- (f) the benefit of all rights relating to such debts, claims, rights and choses in action including (without prejudice to the generality of the foregoing) such rights as referred to in Clause 4.1.4

4.1.6 where the Company for the time being carries on any business comprising or relating to the provision of credit (as defined by Section 9 of the Consumer Credit Act 1974) or any business comprising or relating to the bailment or (in Scotland) the hiring of goods, by way of first fixed charge

- (a) the full benefit of and all rights under the Credit Agreements, including all money payable under or in respect of the Credit Agreements,
- (b) the full benefit of and all rights under the Hiring Agreements, including all money payable under or in respect of the Hiring Agreements,
- (c) the full benefit of and all rights relating to the Instalment Credit Agreements including all legal and equitable charges and other securities and guarantees and the other rights and remedies expressly or impliedly reserved by the Instalment Credit Agreements and by such securities and guarantees,
- (d) the Company's present and future rights and interests (if any) in and to any chattels comprised in the Instalment Credit Agreements or securities and guarantees provided in relation thereto including (without prejudice to the generality of the foregoing) any right to damages relating thereto and the benefit of any warranties given in respect thereof insofar as the property or any interest in such chattels remains vested in the Company, and
- (e) the full benefit of the Company's rights and interests (if any) in and to all insurance effected by the Company or by any other person of any chattels comprised in any Instalment Credit Agreements or any security or guarantee provided in relation thereto

4.1.7 by way of first fixed charge

- (a) the Charged Securities (including, without limitation, those securities specified in Schedule 2 (*Securities*) to this Debenture),
- (b) all rights in respect of or incidental to the Charged Securities, and

(c) the Interests in Securities

- 4 1 8 by way of first fixed charge, all Intellectual Property Rights of the Company (including, without limitation, the intellectual property specified in Schedule 3 (*Intellectual Property*) to this Debenture)
- 4 1 9 by way of fixed charge, the goodwill and the uncalled capital of the Company both present and future,
- 4 1 10 by way of first fixed charge, all other plant and machinery, fittings and equipment (not in any such case being the Company's stock-in-trade or work in progress) now or at any time hereafter belonging to the Company or in which the Company is legally, beneficially or otherwise interested, wherever situated and whether or not affixed to any freehold or leasehold property of the Company,
- 4 1 11 by way of first fixed charge, all the rights, interests and benefits of the Company under any present or future hire-purchase, conditional sale, credit sale, leasing or rental agreement to which the Company is a party in the capacity of hirer, purchaser or lessee including (without prejudice to the generality of the foregoing) the Company's right to any refund of rentals or other payments, and
- 4 1 12 by way of first floating charge, the undertaking and all property and assets of the Company both present and future including (without prejudice to the generality of the foregoing) heritable property and all other property and assets in Scotland, any Excluded Real Property (and all buildings and fixtures (including trade fixtures) fixed plant and machinery from time to time on any such property and all liens, mortgages, charges, options, agreements and rights, titles and interests (whether legal or equitable) of the Company in or over such property) and (if and in so far as the charges thereon or on any part or parts thereof herein contained shall for any reason be ineffective as fixed charges) the Charged Property described in Clauses 4 1 to 4 1 11 above
- 4 2 The security hereby constituted shall extend to all beneficial interests of the Company in the Charged Property and to any proceeds of sale or other realisation thereof or of any part thereof

- 4.3 This Debenture shall bind the Company as a continuing security for the Secured Obligations notwithstanding that the liabilities of the Company to the Bank may from time to time be reduced to nil
- 4.4 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this Debenture

5 RESTRICTIONS ON DEALING

5.1 Negative Pledge

5.1.1 The Company shall not without the prior written consent of the Bank

- (a) create or permit to subsist or arise any mortgage, debenture, hypothecation, charge, assignment by way of security, pledge or lien or any other encumbrance or security whatsoever upon the Charged Property (except a lien arising by operation of law in the ordinary course of the Company's business as conducted during the 12 months preceding the date when the lien first came into existence),
- (b) enter into any contractual or other agreement or arrangement which has or may have an economic effect similar or analogous to any such encumbrance or security as would be prohibited by sub-Clause (a),
- (c) sell, assign, license, sub-license, discount, factor or otherwise dispose of, or deal in any other way with, the Charged Property otherwise than, in the case only of the Charged Property charged by Clause 4.1.12 of this Debenture, for full value in the ordinary course of getting in and realising the same,
- (d) enter into any agreement with a financier, provider of money, creditor or any other party whatsoever (hereinafter called the "**Financier**") which has the economic effect of, or an economic effect similar to that of, providing security in respect of or in connection with the provision of finance or credit by the Financier and which involves or may involve one or more of the following
 - (i) sales, agreements for sale or transfers of any property or rights whatsoever to the Financier, and/or

- (ii) sales, agreements for sale or transfers actually or potentially on behalf of the Financier to any third party whatsoever, and/or
- (iii) the grant or possible grant of authority by the Financier for sales, agreements for sale or transfers of the nature set out in sub-Clause (ii) above,

5.2 Dealings with debts and claims

- 5 2 1 Clause 5 1 1(c) above shall not prevent the Company, without such consent as is referred to in that Clause, collecting proceeds of the book and other debts, monetary claims and choses in action forming part of the Charged Property in the ordinary course of the Company's business and paying the same into the Company's account(s) with the Bank in accordance with Clause 5 2 2 (and additionally, in the case of Non-Vesting Debts, strictly in accordance with Clause 5 2 4) Where the Bank makes a payment at the request of the Company which is debited to any account with the Bank which is for the time being in credit, the Bank shall be taken to have given any necessary consent for the purposes of Clause 5 1 1(c) to such payment unless such payment was made as a result of some mistake of fact on the part of the Bank,
- 5 2 2 The Company shall pay into its account or accounts with the Bank the proceeds of the book and other debts, monetary claims and choses in action forming part of the Charged Property provided that the Bank shall be deemed to receive the amounts owing to the Company referred to in Clause 4 1 5(b) pursuant to the fixed charge contained therein and not pursuant to the charges on freehold and leasehold property contained in Clause 4 1 1 and/or 4 1 2 above or as mortgagee in possession
- 5 2 3 The Company declares that all proceeds received or obtained by the Company or on the Company's behalf but which are not so paid or transferred into that account or accounts shall be received and held by the Company on trust for the Bank
- 5 2 4 In the event that the Company enters into any debt purchase, invoice discounting or other financing arrangements with the Bank relating to the purchase of any debts of the Company ("**Debt Purchase Agreement**") then without prejudice to the generality of Clause 5 2 2 the Company shall give to its debtors or other obligors (whose debts are the subject of and referable to

the Debt Purchase Agreement) such instructions as may be required from time to time by the Bank to make payment of the proceeds of such debts directly into the account specified by the Bank pursuant to such Debt Purchase Agreement or otherwise specified in writing by the Bank to the Company (the "**Receivables Account**") If any such debtor proceeds are for any reason remitted to and received by the Company, the Company shall immediately upon receipt remit the identical cash or other remittance or instrument into the Receivables Account and pending such remittance hold the same on trust absolutely for the Bank, separate from the Company's own monies The Company acknowledges that any balance standing to the credit of the Receivables Account shall be held on trust absolutely for the Bank and that it may not, without the prior written consent of the Bank, withdraw any such monies from the Receivables Account

6 COVENANTS OF THE COMPANY

The Company hereby covenants with the Bank that the Company

- 6 1 shall keep the Properties and all fixtures now or for the time being on the Properties in good and substantial repair and condition and all plant and machinery now or for the time being on the Property in good and substantial repair and condition and in good working order,
- 6 2 shall carry on the conduct, and procure that its subsidiaries (so long as they respectively carry on business) carry on the conduct, of its (or as the case may be their) affairs in a proper and efficient manner and shall not, save with the prior written consent of the Bank, make any substantial alteration in the nature of such affairs and shall keep and procure that its subsidiaries keep proper books and records and permit the Bank and any persons authorised by the Bank to have access to and to inspect the same,
- 6 3 shall keep such of the Charged Property as is insurable insured in the joint names of the Company and the Bank or if this is not possible, the Company having used all reasonable endeavours to procure the same, with the interest of the Bank endorsed or noted on the policies in such manner as the Bank may require against loss or damage by fire and such other risks as the Bank shall from time to time require to the full reinstatement value thereof (together with additional amounts estimated as sufficient to cover architects' and surveyors' fees and the costs of demolition site clearance and shoring up (including VAT)) or as the Bank may decide with such insurance office or underwriters as may from time to time be approved by the Bank in writing and the

Company shall maintain such other insurances as are normally maintained by a prudent company carrying on a similar business,

6 4 shall punctually pay all premiums and other monies necessary for keeping the insurances mentioned in Clause 6 3 in force and, on demand, lodge the policies and receipts for such payments with the Bank. Upon default of the same the Bank may (but shall not be obliged to) take out or renew such insurances in such sums as the Bank may think expedient and all monies expended by the Bank under this Clause 6 4 shall be deemed to be properly paid by the Bank,

6 5 shall apply all monies which may at any time be received or receivable under any insurances (whether effected by the Bank or the Company and whether or not effected in pursuance to the covenants in this Clause) in replacing, restoring or reinstating the Charged Property in respect of which the monies were received or, if so required by the Bank, towards the discharge of the monies secured by this Debenture (and pending such application shall hold any monies received or receivable in respect of such insurances on trust for the Bank),

6 6 shall duly and punctually pay all rates, rents, taxes and other outgoings or sums payable out of or in respect of the Properties,

6 7 shall, in relation to the book and other debts referred to in Clause 4 1 4 and/or 4 1 5

6 7 1 (if called upon to do so by the Bank) execute a legal assignment of such book and other debts to the Bank in such terms as the Bank may require and give notice of the legal assignment to the debtors from whom such debts are owing or incurred and take such other steps as the Bank may require to perfect such legal assignment, and

6 7 2 permit and request such bank to furnish directly to the Bank from time to time upon request full statements and particulars of all the Company's accounts with such bank and such other financial statements and information respecting the assets and liabilities of the Company as are from time to time available to such bank

6 8 shall inform the Bank immediately on the occurrence of an Insolvency Event,

6 9 shall furnish to the Bank, its agents, representatives and employees from time to time such financial statements, information, valuations and certificates regarding the assets

and liabilities, financial condition, business and affairs of the Company and/or its subsidiaries as the Bank may require,

- 6 10 shall notify the Bank of any proposal or contract made by the Company for the acquisition by the Company of any freehold or leasehold property and in the case of any such property, the title to which (either before or after the acquisition of the property) is registered under the Land Registration Acts, shall notify the Bank of the title number(s) of the property and, contemporaneously with the making of the application to H M Land Registry for the registration of the Company as the Registered Proprietor of the Property, shall request the Chief Land Registrar to enter a notice of this Debenture on the Charges Register of the title numbers of such property,
- 6 11 shall (subject to the rights of any prior mortgagee) deposit with the Bank the deeds and documents of title relating to any such property as is referred to in Clause 4 1 2 upon its acquisition by the Company, and to any other equitably charged property, and shall at any time, if called upon to do so by the Bank, execute over all or any part of such property a charge by way of legal mortgage in favour of the Bank in such form as the Bank may require and in the case of any leasehold property shall use its best endeavours to obtain any requisite consent for a charge by way of legal mortgage from the lessor,
- 6 12 shall promptly inform the Bank of any event or of the receipt of any notice which may affect the title of the Company to the Properties (or any of them) or any fixtures on the Properties (or any of them) or which may affect its ability to carry on its business or the security created by this Debenture,
- 6 13 shall allow the Bank, or its agents with or without surveyors, workmen and others at all reasonable times to enter or inspect the Properties (or any part thereof) and any plant, machinery and other effects used for the purposes of or in connection with the Company's business to view the state of repair of the Charged Property and to carry out at the Company's expense any repairs to the Charged Property which the Bank considers necessary (without becoming liable as a mortgagee in possession) and all monies expended by the Bank under this Clause 6 13 shall be deemed to be properly paid by the Bank,
- 6 14 shall (where the Company is tenant) comply with any tenant's covenants under any lease under which the whole or any part of the Properties are held and shall not agree any rent review under any such lease without the written consent of the Bank or do any

act or thing whereby the said lease or leases may become liable to forfeiture or otherwise be determined,

- 6 15 shall (where the Company is landlord) comply with any landlord's covenants under any lease, underlease, tenancy, agreement for lease, licence or agreement to which the Properties are now or may become subject and shall duly and efficiently implement any provision for review in any such lease, underlease, tenancy or agreement and shall not agree any such review without the written consent of the Bank,
- 6 16 shall (where the Company is landlord) enforce the due observation and performance of all tenant's obligations under any lease, underlease, tenancy, agreement for lease, licence or agreement to which the Properties are or may become subject and neither waive, release or vary or agree to waive, release or vary any of the terms of any such lease, underlease, tenancy, agreement for lease, licence or agreement nor exercise any power to determine or extend the same nor grant any consents or licences under any such lease, underlease, tenancy, agreement for lease, licence or agreement without the prior consent in writing of the Bank,
- 6 17 shall in relation to the Properties comply with all obligations under any present or future statute, regulation, order or instrument or under any bye-law, regulation or requirement of any competent authority or planning permissions or other approvals, licences or consents (including, without limitation, any Environmental Laws and/or Licences) and produce to the Bank within seven days of receipt every notice, order or proposal given or made by any competent authority and either comply with the same or make such objections and representations against the same as the Bank may reasonably require or approve,
- 6 18 shall not sever or permit to be severed (save as authorised in this Debenture) or permitted from the Properties any fixtures and/or fittings now or subsequently affixed to or placed upon the Properties except for the purpose of replacing them with others of equal or greater value and any such replacements shall be subject to the security created by this Debenture,
- 6 19 shall not, without the prior consent in writing of the Bank, exercise any of the powers of leasing or agreeing to lease vested in or conferred on mortgagors by common law or by statute or create or suffer to be created a tenancy of any description of the Properties or confer upon any person any contractual licence, right or interest to occupy the whole or any part of the said property or accept or agree to accept a surrender of any lease, underlease, tenancy, licence or agreement,

- 6 20 shall (i) preserve and maintain the subsistence and validity of the Intellectual Property Rights which are material in the context of its business and which are required by it in order to carry on its business, (ii) use all reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property Rights, (iii) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property Rights which are material in the context of its business and which are required by it in order to carry on its business which in full force and effect and record its interest in such Intellectual Property Rights (iv) not use or, to the best of its knowledge, permit the Intellectual Property Rights to be used in a way or take any step or omit to take any step in respect of those Intellectual Property Rights which may materially and adversely affect the existence or value of the Intellectual Property Rights or imperil the right of any member of the Group to use such property and (v) not discontinue the use of the Intellectual Property Rights which are material in the context of its business and which are required by it in order to carry on its business in each case where failure to do so (or as applicable, the use, permission to use, omission or discontinuation) would or is reasonably likely to have a material adverse effect on (a) the business, operations or financial condition of the Company (or any related entity, from time to time, having provided any guarantee or security interest in favour of the Bank in support of the Secured Obligations (a **Security Party**)) (b) the ability of the Company or any Security Party to perform their payment or other obligations arising under any agreement relating to the Secured Obligations or providing any guarantee or security interest in support of the same or (c) the validity or enforceability of, or the effectiveness or ranking of any security granted or purporting to be granted pursuant to this Debenture or the rights or remedies of the Bank under this Debenture,
- 6 21 shall not (without the prior written consent of the Bank) do or cause or permit to be done or omit to do anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Bank or the marketability of the security created by this Debenture or of the Charged Property,
- 6 22 shall at the request of the Bank call up (and not call up without the prior consent in writing of the Bank) any uncalled capital both present and future and any monies received from the calling up of capital shall if required by the Bank be applied in or towards the discharge of the Secured Obligations,
- 6 23 not without the prior written consent of the Bank exercise any option, election or discretion to charge VAT or transfer the right to recover any VAT or levy VAT or to treat supplies made by it as taxable supplies for the purposes of VAT provided that if

the Bank so requires the Company shall exercise any option, election or discretion which may now or hereafter be available to it to charge VAT or to treat supplies made by it as taxable supplies for the purposes of VAT,

and in the case of default by the Company in the performance of any of the foregoing covenants the Bank may (but shall not be obliged to) do whatever may be necessary to make good such default and all sums expended by the Bank in that behalf shall be reimbursed by the Company to the Bank on demand and until so reimbursed by the Company shall be added to the Secured Obligations and bear interest accordingly and the Bank may effect insurances in such amounts and against such risks as the Bank shall decide irrespective of whether the Company is in default in the manner described in Clause 6 4 of this Debenture

7 DEPOSIT OF TITLE DEEDS, ETC

7 1 The Company shall, if being requested to do so by the Bank, deposit with the Bank and the Bank during the continuance of this security shall be entitled to hold and retain (unless held by a prior mortgagee at the date hereof and for as long as it remains the prior mortgagee)

7 1 1 all deeds and documents of title relating to the Company's freehold and leasehold and heritable property for the time being (other than deeds and documents of title relating only to Excluded Real Property),

7 1 2 all stock and share certificates and documents of title relating to Interests in Securities, and

7 1 3 all such (if any) deeds and documents of title relating to the Charged Property referred to at Clauses 4 1 4, 4 1 5, 4 1 8 and 4 1 11 as the Bank may from time to time specify

7 2 The Company shall

7 2 1 if any of the Interests in Securities are in uncertificated or dematerialised form, forthwith upon being requested to do so by the Bank, give or procure the giving of all necessary instructions, in accordance with and subject to the facilities and requirements of the relevant system, to effect a transfer of title of such Securities into the name of the Bank or its nominee and to cause the Operator to issue an Operator-instruction requiring the participating issuer in respect of such Securities to register such transfer of title, and

7.2.2 following the giving of such instructions procure the registrar of such issuer to amend the issuer's register by entering the Bank or its nominee pursuant to such transfer of title in place of the Company,

and for these purposes "instruction", "Operator", "Operator-instruction", "relevant system" and "participating issuer", shall have the meaning given to those terms in the Uncertificated Securities Regulations 2001

8 FURTHER ASSURANCE AND NOTICE OF CRYSTALISATION

- 8.1 The Company shall at any time if and when required by the Bank execute and deliver to the Bank or as the Bank shall direct such further legal or other assignments, mortgages, securities, charges, agreements or other legal documentation as the Bank shall require of and on all or any of the Charged Property to secure payment of the Secured Obligations. Such assignments, mortgages, securities, charges, agreements or other legal documentation shall be prepared by or on behalf of the Bank at the cost of the Company and shall contain all such clauses for the benefit of the Bank as the Bank may require including without limitation, if so required by the Bank in the case of a mortgage or charge on any freehold or leasehold property, any such clauses as are contained in any of the Bank's standard forms of mortgage from time to time and, in the case of securities over heritable property, any such clauses as are contained in any of the Bank's standard forms of standard security from time to time
- 8.2 The Company shall at any time if and when required by the Bank and at the Company's cost give notice to such persons as the Bank may require of the charges hereby effected and any such further legal or other assignments, mortgages, securities, charges, agreements or other legal documentation and shall take, do or execute such steps, acts, deeds, documents and things as the Bank may consider necessary or desirable to give effect to and procure the perfection, of the security intended to be granted by this Debenture or any such further legal or other assignments, mortgages, securities, charges, agreements or other legal documentation
- 8.3 On each occasion that the Company acquires, or any nominee on the Company's behalf acquires, any property the title to which is registered or required to be registered under the Land Registration Act 2002, the Company shall immediately notify the Bank in writing of such acquisition and each relevant title number or if the land is unregistered the Company shall procure that title to that property is duly and promptly registered (as applicable) and in any event the Company shall procure that this Debenture is noted on

the register with an agreed notice and the Company shall apply for a restriction in the terms referred to in Clause 26.1

8.4 Without prejudice to the security hereby constituted the Bank may at any time (either before or after demand has been made by the Bank for payment of the money hereby secured) by notice in writing to the Company convert the floating charge created by Clause 4.1.12 over the Charged Property with immediate effect into a fixed charge as regards any of the Charged Property subject to the floating charge created by Clause 4.1.12 as specified in the notice

8.5 The floating charge comprised in Clause 4.1.12 will, without notice from the Bank, automatically be converted into a fixed charge as regards any of the property, assets and rights of the Company present and future not subject to a fixed charge under this Debenture with immediate effect

8.5.1 in respect of any Charged Property which becomes subject to a fixed charge or floating in favour of any other person, or

8.5.2 in respect of all the Charged Property charged under Clause 4.1.12 if and when the Company breaches any of its obligations under this Debenture or any other agreement with the Bank, or

8.5.3 if and when a person levies or notifies the Company that it intends to levy any distress execution, sequestration or other process against any of the Charged Property, or

8.5.4 if and when the Company shall cease to carry on business or to be a going concern, or

8.5.5 if any of the Secured Obligations become due and outstanding prior to their stated maturity

8.6 Service of a notice by the Bank pursuant to Clause 8.4 in relation to any part or class of the Charged Property shall not be construed as a waiver or abandonment of the Bank's right to serve similar notices in respect of any other part or class of the Charged Property or of any other of the rights of the Bank under this Debenture

9 BANKS POWERS OF SALE AND LEASING

- 9 1 The powers and remedies conferred on mortgagees by Section 101 of the Law of Property Act 1925 shall apply to this Debenture but without the restriction imposed by Section 103 of that Act and the statutory powers of leasing conferred on the Bank shall be extended so as to authorise the Bank to lease and make arrangements for leases at a premium or otherwise and to accept surrenders of leases and grant options as the Bank shall think expedient and without the need to observe any of the provisions of Sections 99 and 100 of the said Act (and for the purposes of sections 99 and 100 of the Law of Property Act 1925 the expression "mortgagor" shall include any encumbrancer deriving title under the original mortgage and sections 99(18) and 100(12) of the said Act shall not apply)
- 9 2 The Bank in exercising its statutory power of sale, and any receiver appointed by the Bank in exercising his powers under this Debenture, shall be at liberty to sell at such price and on such terms and conditions as it or he in its or his sole discretion thinks fit and shall not be under any duty or obligation to obtain the best or any particular price
- 9 3 Neither the Bank nor any such receiver shall be liable to the Company or any other person for any loss, damage, cost, expense or liability which the Company or any such person may suffer or incur as a direct or indirect result of the Bank exercising its statutory power of sale, as hereby varied or extended, or such receiver exercising his powers under this Debenture
- 9 4 For the purposes of this Debenture, the Secured Obligations shall be deemed to have become immediately due on the date hereof and the security constituted by this Debenture, the statutory power of sale and other powers conferred under section 101 of the Law of Property Act 1925 (each as hereby varied or extended) shall be immediately exercisable from and after such date, which date (without prejudice to the equitable right to redeem) shall be the redemption date but it is hereby agreed that the Bank will only exercise such powers following the occurrence of an Event of Default

10 APPOINTMENT OF AN ADMINISTRATOR AND APPOINTMENT AND POWERS OF A RECEIVER

- 10 1 At any time after the occurrence of an Event of Default or the Company shall have requested it to do so (upon the happening of which the security in this Debenture shall be immediately enforceable) the Bank shall have power, in writing under the hand of any official of the Bank authorised by the Bank from time to time or any person

authorised by any such official in writing, to appoint any person or persons as the Bank thinks fit to be an administrator or joint administrators or several administrators or joint and several administrators of the Company or alternatively a receiver or joint receivers or several receivers or joint and several receivers of the Charged Property to act, in the case of two or more receivers, jointly, severally or jointly and severally in relation to any part of the Charged Property and to the extent permitted by law similarly to remove any such receiver and to appoint another or others in his place

10 2 If the Bank excludes any part of the Charged Property from the appointment of any receiver, the Bank may subsequently extend that appointment (or that of any receiver replacing such receiver) to such excluded part of the Charged Property

10 3 Any such receiver at the cost of the Company may, in the name of or on behalf of the Company or at his option in the name of the Bank (but only with the specific approval in writing of the Bank) or at his option in his own name (and in any case notwithstanding any administration or liquidation of the Company), do or omit to do anything which the Company could do or omit to do and (in addition) may exercise all or any of the powers specified in Schedule 1 to the Insolvency Act 1986 (notwithstanding that such receiver may not be an administrative receiver) and in particular (but without prejudice to the generality of the foregoing) any such receiver may

10 3 1 deal with, take possession of, collect and get in any of the Charged Property,

10 3 2 carry on, manage, develop or diversify or concur in carrying on, managing, developing or diversifying any business of the Company or any part thereof and for any of those purposes receive, retain and use any proceeds, books and records of such business and carry out or complete (with or without modification) on any of the Charged Property any works of demolition, building, repair, construction, furnishing or any project or development in which the Company was engaged,

10 3 3 raise or borrow any money from or incur any other liability to the Bank or any other person and on such terms as to interest or otherwise and with or without security as such receiver may think expedient and so that any such security may, with the prior written consent of the Bank, be or include a charge on the Charged Property ranking either in priority to or pari passu with or after the security hereby created,

- 10 3 4 forthwith and without the restriction imposed by Section 103 of the Law of Property Act 1925 sell, realise, dispose of or concur in selling, realising or disposing of (but where necessary with the leave of the Court) and without the need to observe any of the provisions of Sections 99 and 100 of the said Act let or concur in letting or surrender or concur in surrendering or accept surrenders of leases or tenancies of all or any of the Charged Property,
- 10 3 5 carry any sale, exchange, realisation, disposal, lease, tenancy or surrender of the Charged Property into effect by conveying, transferring, assigning, leasing, letting, surrendering or accepting surrenders in the name and on behalf of the Company (or other the estate owner) and so that covenants and contractual obligations may be granted in the name of and so as to bind the Company (or other the estate owner) so far as such receiver may consider it necessary, appropriate or expedient for the exercise of the powers conferred by this Debenture so to do Any such sale, exchange, realisation, disposal, lease or tenancy may be for cash, debentures or other obligations, shares, stock or other valuable consideration and may be payable in a lump sum or by instalments spread over such period as such receiver shall think fit and so that any consideration received or receivable shall forthwith be and become charged with the payment of the Secured Obligations Plant, machinery and other fixtures may be severed and sold separately from the premises containing them without the consent of the Company being obtained thereto,
- 10 3 6 obtain (by way of application or otherwise) any approval, permission, consent and licence (including any Environmental Licence, planning permission and building regulation approval), enter into and perform contracts and arrangements, purchase materials and incur any type of obligation,
- 10 3 7
- (a) promote the formation of a subsidiary or subsidiaries of the Company with a view to such subsidiary or subsidiaries purchasing, leasing, licensing or otherwise acquiring interests in or the use of the Charged Property or with a view to such subsidiary or subsidiaries engaging employees or providing management or other services in connection therewith or for any other purpose or function which may be regarded as necessary or appropriate by such receiver from time to time,

- (b) arrange for such subsidiary or subsidiaries to trade or cease to trade as such receiver may think fit from time to time, and
 - (c) arrange for the purchase, lease, licence or acquisition of all or any of the assets of the Company by any such subsidiary or subsidiaries on a basis whereby the consideration may be for cash, shares, debentures, loan stock, convertible loan stock or other securities, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise howsoever and whether or not secured on the assets of the subsidiary or subsidiaries and whether or not such consideration is payable or receivable in a lump sum or by instalments spread over such period as such receiver may think fit,
- 10 3 8 take any proceedings in relation to the Charged Property in the name of the Company or otherwise as may seem expedient including (without prejudice to the generality of the foregoing) proceedings for the collection of rent in arrears at the date of his appointment,
- 10 3 9 enter into any agreement or make any arrangement or compromise which such receiver shall think expedient in respect of the Charged Property,
- 10 3 10 make and effect all repairs to and renewals and improvements of the Company's plant, machinery and effects and insure the Charged Property and/or maintain or renew any insurances of the same on such terms as such receiver shall think fit or as the Bank may direct,
- 10 3 11 appoint managers, agents, officers and employees for any of the aforesaid purposes at such salaries and for such periods as such receiver may determine and dismiss any of the same,
- 10 3 12 adopt any contracts of employment entered into between the Company and any of its employees with such variations to the contract as such receiver may think fit and dismiss any such employees,
- 10 3 13 exercise the Company's rights under any rent review clause contained in any lease of the Charged Property first described and grant or apply for any new or extended lease thereof,
- 10 3 14 cause the Company to grant such powers of attorney or appoint agents as such receiver may from time to time think expedient,

- 10 3 15 do all such things as may be thought necessary for the management of the Charged Property and the affairs and business of the Company,
- 10 3 16 grant, vary and release easements and other rights over freehold and leasehold property of the Company and impose, vary or release covenants affecting such property and agree that such property may be subject to any easements or covenants,
- 10 3 17 purchase any freehold and leasehold properties and other capital assets if such receiver considers it would be conducive to realisation of the Bank's security to do so, and
- 10 3 18 do all such other acts and things as may from time to time be considered by such receiver to be incidental or conducive to any of the matters or powers aforesaid or otherwise incidental or conducive to the realisation of the Bank's security or the exercise of his functions as receiver
- 10 4 Sub-section 109(8) of the Law of Property Act 1925 shall not apply and all money received by such receiver shall (subject in relation to each paragraph below to any claims having priority to the matter therein described) be applied
- 10 4 1 first in payment of his remuneration and the costs of realisation including all costs and expenses of or incidental to any exercise of any power hereby conferred,
- 10 4 2 secondly (if such receiver thinks fit, but not otherwise) in or towards payment of all or any of the matters referred to in paragraphs (i), (ii), (iii) and (iv) of Sub-section 109(8) of the Law of Property Act 1925 as he in his absolute discretion shall decide,
- 10 4 3 thirdly in or towards satisfaction of the Secured Obligations
- 10 5 Any such receiver shall at all times and for all purposes be deemed to be the agent of the Company which alone shall be responsible for his acts or defaults and for his remuneration
- 10 6 Any such receiver shall be entitled to remuneration for his services and the services of his firm at a rate or rates or in an amount or amounts as may from time to time be agreed between the Bank and such receiver or (in default of agreement) as may be appropriate to the work and responsibilities involved upon the basis of charging from

time to time adopted by such receiver in accordance with the current practice of such receiver or his firm and without in either such case being limited by the maximum rate specified in Section 109(6) of the Law of Property Act 1925

10 7 Only money actually paid by such receiver to the Bank shall be capable of being applied by the Bank in or towards satisfaction of the Secured Obligations

10 8 The powers conferred by this Clause 10 shall be in addition to all powers given by statute to the Bank or to any such receiver

10 9

10 9 1 If any person takes (or threatens to take) any steps to enforce any security which ranks before or equal to any part of this security in relation to any part of the Charged Property, the Bank or such receiver (in respect of such Charged Property) may at any time redeem any part of that person's security or procure its transfer to the Bank or such receiver. The money so expended by the Bank or any such receiver and all costs of and incidental to the transaction incurred by the Bank or any such receiver shall be secured hereby and shall bear interest computed and payable as provided in Clauses 2 (*Agreement to Pay*) and 3 (*Interest*) from the date of the same having been expended

10 9 2 The Bank and such receiver may settle and pass the accounts of any person entitled to any security which ranks before or equal to any part of this security in relation to any part of the Charged Property. Any account so settled and passed shall be conclusive and binding on the Company

10 10 If the Bank shall appoint more than one receiver the powers given to a receiver hereby and by statute shall be exercisable by all or any one or more of such receivers and any reference in this Debenture to "receiver" shall be construed accordingly

11 ADDITIONAL POWERS OF THE BANK

11 1 All or any of the powers, authorities and discretions which are conferred by this Debenture either expressly or impliedly upon a receiver of the Charged Property may be exercised by the Bank in relation to the Charged Property without first appointing a receiver of the Charged Property or notwithstanding the appointment of a receiver of the Charged Property

11 2 The powers conferred by this Debenture in relation to the Charged Property on the Bank or on any receiver of the Charged Property shall be in addition to and not in substitution for the powers conferred on mortgagees or receivers under any legislation and where there is any ambiguity or conflict between the powers contained in any legislation and those conferred by this Debenture as aforesaid then the terms of this Debenture shall prevail

11 3 The Bank may at any time and from time to time delegate by power of attorney or in any other manner to any person, firm or company or fluctuating body of persons all or any of the powers, authorities and discretions which are for the time being exercisable by the Bank under this Debenture or under any legislation in relation to the Charged Property and any such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as the Bank may think fit and the Bank shall not be in any way liable or responsible to the Company for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate (or sub-delegate)

12 PROTECTION OF THIRD PARTIES

12 1 No person (each a **"Third Party"**, including any insurer, assurer, purchaser or security holder) dealing with the Bank or any receiver appointed by it or their respective employees and agents need enquire

12 1 1 whether any right, exercised or purported to be exercised by the Bank, such receiver or their respective employees and agents has become exercisable, or

12 1 2 whether any of the Secured Obligations are due or remain outstanding, or

12 1 3 as to the propriety or regularity of anything done (including any sale, dealing or application of money paid, raised or borrowed) by the Bank, such receiver or their respective employees and agents

12 2 Each of those things shall (as between that Third Party on the one hand and the Bank or any receiver appointed by it or their respective employees and agents on the other hand) be deemed to be exercisable, due, outstanding, proper, regular and within the terms of this Debenture (as the case may be) and to be fully valid and effective

12 3 All the protections to purchasers contained in Sections 104 and 107 of the Law of Property Act 1925 and to persons contained in Section 42(3) of the Insolvency Act 1986 apply to each Third Party

- 12 4 The Bank, any receiver appointed by it and their respective employees and agents may give receipts to any Third Party. The Company agrees that each receipt shall be an absolute and conclusive discharge to such Third Party and shall relieve such Third Party of any obligations to see to the application of any assets paid or transferred to or by the direction of the Bank, such receiver, employee or agent.

13 POWER OF ATTORNEY

- 13 1 For the purpose of securing the payment of the Secured Obligations and for securing any proprietary interest which the Bank has in any of the Charged Property, the Company irrevocably appoints the Bank and the persons deriving title under it and its and their substitutes and any receiver or receivers appointed under this Debenture (the “Attorney”) jointly and also severally to be the Company’s true and lawful attorney. For the purposes aforesaid the Attorney shall have the right at any time following the occurrence of an Event of Default to do anything which the Company may lawfully do and all the rights and powers which may lawfully be given to an attorney including, without prejudice to the generality of the foregoing:

13 1 1 the right to do anything to procure or carry out the performance of the Company’s obligations under this Debenture and anything to facilitate the exercise of the Bank’s rights under this Debenture,

13 1 2 the right to act in the name of the Company,

13 1 3 the right to delegate and sub-delegate any or all of the rights of the Attorney, and

13 1 4 the right to sign, execute, seal, deliver and otherwise perfect

- (a) any documents or instruments which the Bank or any receiver may require for perfecting the title of the Bank to the Charged Property or for vesting the same in the Bank, its nominees or any purchaser, and
- (b) any further security documentation referred to in Clause 8 (*Further Assurance and Notice of Crystallisation*)

- 13 2 The Company ratifies and shall ratify everything done or purported to be done by the Attorney.

14 INDEMNITY

- 14 1 The Company hereby agrees to indemnify the Bank and any receiver appointed by it and their respective employees and agents (as a separate covenant with each such person indemnified) against
- 14 1 1 all existing and future rents, rates, taxes, duties, charges, assessments and outgoings now or at any time payable in respect of the Charged Property or by the owner or occupier thereof, and
- 14 1 2 all costs, claims, demands, expenses, charges, assessments, impositions, fines and sums and the consequences of any proceedings or prosecutions arising directly or indirectly from or in connection with any breach by the Company of any law or of this Debenture,
- 14 1 3 in each case, whether imposed by statute or otherwise and whether of the nature of capital or revenue and even though of a wholly novel character. If any such sums shall be paid by the Bank or any such receiver or any of their respective employees or agents, the same shall be paid by the Company on demand with interest computed and payable as provided in Clauses 2 (*Agreement to Pay*) and 3 (*Interest*) from the time or respective times of the same having been paid or incurred and, pending payment, shall be secured hereby, but the Bank shall not be deemed to have taken possession of the Charged Property by reason of such payment
- 14 2 The Company hereby agrees to indemnify the Bank and any receiver appointed by it and their respective employees and agents (as a separate covenant with each such person indemnified) against all loss incurred in connection with
- 14 2 1 any statement made by the Company or on the Company's behalf in connection with this Debenture or the business of the Company being untrue or misleading,
- 14 2 2 the Bank entering into any obligation with any person (whether or not the Company) at the request of the Company (or any person purporting to be the Company),
- 14 2 3 any actual or proposed amendment, supplement, waiver, consent or release in relation to this Debenture,

14 2 4 any stamping or registration of this Debenture or the security constituted by it,
and

14 2 5 any failure to register this Debenture in respect of any Charged Property
where such registration is required in order to preserve the effectiveness or
priority of the security created by this Debenture,

whether or not any fault (including negligence) can be attributed to the Bank or any
receiver appointed by it or their respective employees and agents

14 3 This indemnity does not and shall not extend to any loss to the extent that

14 3 1 in the case of any loss incurred by the Bank or its employees or agents it
arises from the Bank or its employees or agents acting other than in good
faith, or

14 3 2 in the case of any loss incurred by the receiver or his employees or agents it
arises from the receiver or his employees or agents acting other than in good
faith, or

14 3 3 there is a prohibition against an indemnity extending to that loss under any
law relating to this indemnity

15 NOTICE OF SUBSEQUENT CHARGES, ETC

If the Bank receives notice of any subsequent assignment, mortgage, security, charge or other
interest affecting the Charged Property the Bank may open a new account. If the Bank does not
open a new account it shall nevertheless be treated as if it had done so at the time when it
received such notice and as from that time all payments made to the Bank in respect of any of the
Secured Obligations shall be credited or be treated as having been credited to the new account
and shall not operate to reduce the amount of the Secured Obligations owing at the time the Bank
received the notice

16 SET-OFF

16 1 Without prejudice to any other rights whatsoever which the Bank may have whether
under general law or by implication or otherwise, the Bank shall, after the occurrence of
an Event of Default, have the right at any time or times and without notice to the
Company (as well before as after any demand under this Debenture or otherwise) to

16.1.1 combine or consolidate all or any of the then existing accounts (including accounts in the name of the Bank with any designation which includes all or any part of the name of the Company) and liabilities to the Bank of the Company, and/or

16.1.2 set off or transfer any sum or sums standing to the credit of any one or more of such accounts (whether subject to notice or restriction on availability or not and whether denominated in Sterling or in any other currency or currency unit) in or towards satisfaction of any of the liabilities of the Company to the Bank on any other account or in any other respect,

whether such liabilities be actual, contingent, primary, collateral, several or joint and whether as principal or surety

16.2 In the case of all accounts (whether denominated in Sterling or in any other currency or currency unit) the Bank may at its sole discretion, and with or without notice to the Company, elect to convert all or any of the sum or sums standing to the credit of any such account or accounts (in whole or in part) into the currency or currency unit or the currencies or currency units of the whole or any part of the Secured Obligations (deducting from the proceeds of the conversion any currency premium or other expense). The Bank may take any such action as may be necessary for this purpose, including without limitation opening additional accounts. The rate of exchange shall be the Bank's spot rate for selling the currency or currency unit or the currencies or currency units of the Secured Obligations for the currency or currency unit of the sum standing to the credit of such account at or about 11.00 am in London on the date that the Bank exercises its rights of conversion under this Debenture.

16.3 The Bank shall not be under any obligation to repay the deposits and credit balances referred to in Clause 4.1.5(a) or the balance on any Receivables Account representing the proceeds of any Non-Vesting Debts until the Secured Obligations have been paid and discharged in full.

17 NOTICES AND DEMANDS

17.1 Any notice or demand by the Bank to or on the Company shall be deemed to have been sufficiently given or made if sent to the Company

17.1.1 by hand or prepaid letter post to its registered office or its address stated herein or its address last known to the Bank, or

- 17 1 2 by facsimile to the Company's last known facsimile number relating to any such address or office
- 17 2 Any such notice or demand given or made under sub-Clause 17 1 shall be deemed to have been served on the Company
- 17 2 1 at the time of delivery to the address referred to in sub-Clause 17 1 1, if sent by hand,
- 17 2 2 at the earlier of the time of delivery or 10 00 am on the day after posting (or, if the day after posting be a Sunday or any other day upon which no delivery of letters is scheduled to be made at the earlier of the time of delivery or 10 00 am on the next succeeding day on which delivery of letters is scheduled to be made), if sent by prepaid letter post,
- 17 2 3 at the time of transmission, if sent by facsimile (and a facsimile shall be deemed to have been transmitted if it appears to the sender to have been transmitted from a machine which is apparently in working order), or
- 17 2 4 on the expiry of 72 hours from the time of despatch in any other case
- 17 3 Service of any claim form may be made on the Company in the manner described in Clause 17 1 1, in the event of a claim being issued in relation to this Debenture, and shall be deemed to constitute good service
- 17 4 Any notice or communication required to be served by the Company on the Bank under the terms of this Debenture shall be in writing and delivered by hand or sent by recorded delivery to the Bank at the Bank's address stated herein (or at such other address as may be notified in writing by the Bank to the Company for this purpose) and will be effective only when actually received by the Bank Any notice or communication must also be marked for the attention of such official (if any) as the Bank may for the time being have notified to the Company in writing

18 CURRENCY CONVERSION

The Bank may at any time following the occurrence of an Event of Default and at its sole discretion, and with or without notice to the Company, elect to convert all or any part of any sum received by the Bank pursuant to this Debenture (in whole or in part) into the currency or currency unit or currencies or currency units of the whole or any part of the Secured Obligations (deducting from the proceeds of the conversion any currency premium or other expense) and the

rate of exchange shall be the Bank's spot rate for selling the currency or currency unit or currencies or currency units of the Secured Obligations or relevant part thereof for the currency or currency unit of the sum received by the Bank under this Debenture at or about 11 00 am in London on the date that the Bank exercises its right of conversion under this Debenture. The Bank may take any such action as may be necessary for this purpose, including without limitation opening additional accounts.

19 PAYMENT AND COSTS

- 19.1 If at any time the currency in which all or any part of the Secured Obligations is denominated is, is due to be or has been converted into the euro or any other currency as a result of a change in law or by agreement between the Bank and the relevant obligor, then the Bank may in its sole discretion direct that all or any of the Secured Obligations shall be paid in the euro or such other currency or in any currency unit.
- 19.2 The Bank may apply, allocate or appropriate the whole or any part of any payment made by the Company under this Debenture or any money received by the Bank under any guarantee, indemnity or third party security or from any liquidator, receiver or administrator of the Company or from the proceeds of realisation of the Charged Property or any part thereof to such part or parts of the Secured Obligations (or as the Bank may otherwise be entitled to apply, allocate or appropriate such money) as the Bank may in its sole discretion think fit to the entire exclusion of any right of the Company to do so.
- 19.3 To the extent that the Charged Property (or any part thereof) constitutes Financial Collateral and this Debenture and the obligations of the Company under it constitute a Security Financial Collateral Arrangement, the Bank shall have the right, at any time after the security constituted by this Debenture has become enforceable, to appropriate all or any of such Charged Property in or towards the payment and/or discharge of the Secured Obligations. The value of any Charged Property appropriated in accordance with this Clause shall be the price of such Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Bank may select (including independent valuation). The Company agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of the Financial Collateral Regulations.
- 19.4 If any payment made by or on behalf of the Bank under this Debenture includes an amount in respect of Value Added Tax or if any payment due to the Bank under this Debenture shall be in reimbursement of any expenditure by or on behalf of the Bank

which includes an amount in respect of Value Added Tax, then such amount shall be payable by the Company to the Bank on demand with interest from the date of such demand computed and payable as provided in Clauses 2 (*Agreement to Pay*) and 3 (*Interest*) and, pending payment, shall be secured hereby

- 19 5 Any settlement, discharge or release between the Company and the Bank or any receiver shall be conditional upon no security or payment to such parties by the Company or any other person on the Company's behalf being avoided or reduced by virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and in the event of such security or payment being so avoided or reduced the Bank or any receiver shall be entitled to recover the value or amount of such security or payment from the Company and from the security created by or pursuant to this Debenture subsequently as if such settlement discharge or release had not occurred
- 19 6 Until all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full the Bank shall be entitled at its discretion to
- 19 6 1 refrain from applying or enforcing any other guarantee, obligation, security, money or rights held by it in respect of the Secured Obligations or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and the Company shall not be entitled to the benefit of the same, and
- 19 6 2 hold in a suspense account any monies received from the Company or an account of the Company's liability in respect of the Secured Obligations (giving credit to the Company for any interest earned in respect of such suspense account)
- 19 7 Without prejudice to the generality of Clauses 2 (*Agreement to Pay*) and 10 (*Appointment of an Administrator and Appointment and Powers of a Receiver*), the Company shall pay to the Bank (on a full and unqualified indemnity basis) all costs incurred or suffered by the Bank, and any receiver appointed by the Bank shall be entitled to recover as a receivership expense all costs incurred or suffered by him
- 19 7 1 in connection with any application under Part III of the Insolvency Act 1986,
- 19 7 2 in defending proceedings brought by any third party impugning the Bank's title to this security or the enforcement or exercise of the rights and remedies of the Bank or of such receiver or receivers under this Debenture, and

19 7 3 (in the case of the Bank only) in connection with effecting any appointment of any receiver or administrator or in dealing with any appointment of, or notice of intention or application to appoint, any receiver or administrator by any party including the Company and without prejudice to any other right or process of recovering such costs,

and all such costs shall bear interest from the date such costs were incurred or suffered computed and payable as provided in Clauses 2 (*Agreement to Pay*) and 3 (*Interest*) and pending payment, shall be secured hereby

19 8 All costs awarded to the Bank or agreed to be paid to the Bank in any proceedings brought by the Company against the Bank shall bear interest from the date of such award or agreement computed and payable as provided in Clauses 2 (*Agreement to Pay*) and 3 (*Interest*) and, pending payment, shall be secured hereby

20 NON-MERGER AND WAIVER OF DEFENCES, ETC

20 1 Nothing herein contained shall operate so as to merge or otherwise prejudice or affect any bill, note, guarantee, mortgage or other security or any contractual or other right which the Bank may at any time have for the Secured Obligations or any right or remedy of the Bank thereunder Any receipt, release or discharge of the security provided by or of any liability arising under this Debenture shall not release or discharge the Company from any liability to the Bank for the same or any other money which may exist independently of this Debenture, nor shall it release or discharge the Company from any liability to the Bank under Clauses 14 (*Indemnity*) or 19 (*Payment and Costs*)

20 2 Where this Debenture initially takes effect as a collateral or further security then, notwithstanding any receipt, release or discharge endorsed on or given in respect of the money and liabilities owing under the principal security to which this Debenture operates as a collateral or further security, this Debenture shall be an independent security for the Secured Obligations

20 3 This Debenture is in addition to and is not to prejudice or be prejudiced by any other security or securities now or hereafter held by the Bank

20 4 The Bank may in its discretion grant time or other indulgence or make any other arrangement variation or release with any person or persons (whether or not party hereto and whether or not such person or persons is or are jointly and/or severally liable

with the Company) in respect of any of the monies and other amounts hereby secured or of any other security therefor without prejudice either to this security or to the liability of the Company for the Secured Obligations

20 5 Neither the security created by or pursuant to this Debenture nor any remedy of the Bank in respect thereof shall be prejudiced by any unenforceability or invalidity of any other agreement or document or any time or indulgence or any other act or thing granted to the Company or any other person or any other act or thing which but for this Clause 20 4 would or might prejudice the security created by or pursuant to this Debenture or the right of the Bank to any such remedy

20 6 The liability of the Company under this Debenture will not be affected by any act, omission, circumstance, matter or thing which but for this provision would release or prejudice any of its obligations hereunder or prejudice or diminish such obligations in whole or in part including without limitation and whether or not known to the Bank or the Company or by

20 6 1 any time or waiver granted to or composition with the Bank or any other person, or

20 6 2 the taking, variation, compromise, exchange, renewal or release or refusal or neglect to perfect, take up or enforce any rights against or security over assets of the Company or any other person or any non-presentment or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any other security, or

20 6 3 any incapacity or lack of powers, authority or legal personality of or dissolution or change in the members or status of the Company or any other person, or

20 6 4 any unenforceability, illegality or invalidity of any obligations of any person hereunder to the intent that the Company's obligations under this Debenture shall remain in full force and this Debenture shall be construed accordingly as if there were no unenforceability, illegality or invalidity

20 7 The Bank shall not be concerned to see or investigate the powers or authorities of any of the Company or its officers or agents and moneys obtained or Secured Obligations incurred in purported exercise of such powers or authorities or by any person purporting

to be the Company shall be deemed to form a part of the Secured Obligations and 'Secured Obligations' shall be construed accordingly

21 TRANSFERS BY THE BANK OR THE COMPANY

21.1 The Bank may freely and separately assign or transfer any of its rights under the Debenture or otherwise grant an interest in any such rights to any person or persons. On request by the Bank, the Company shall immediately execute and deliver to the Bank any form of instrument required by the Bank to confirm or facilitate any such assignment or transfer or grant of interest

21.2 The Company shall not assign or transfer any of the Company's rights or obligations under this Debenture or enter into any transaction or arrangement which would result in any of those rights or obligations passing to or being held in trust for or for the benefit of another person

22 PARTIAL INVALIDITY

Each of the provisions in this Debenture shall be severable and distinct from one another and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby

23 RESTRICTION ON LIABILITY OF THE BANK

Except to the extent that any such exclusion is prohibited or rendered invalid by law, neither the Bank nor any receiver appointed by it nor their respective employees, delegates and agents shall

- (a) be liable to account as a mortgagee in possession for any sums other than actual receipts,
- (b) be liable for any loss upon realisation of, or for any action, neglect or default of any nature whatsoever in connection with, any part of the Charged Property for which a mortgagee in possession might as such otherwise be liable,
- (c) be under any duty of care or other obligation of whatsoever description to the Company in relation to or in connection with the exercise of any right conferred upon the Bank, any receiver appointed by it and their respective employees and agents, or

- (d) be under any liability to the Company as a result of, or in consequence of the exercise, or attempted or purported exercise of, or failure to exercise, any of their respective rights

23 2 If the Bank or any receiver or any such employee, agent or delegate (or sub-delegate) as aforesaid shall enter into possession of the Charged Property (or any part thereof) the Bank may from time to time at pleasure go out of such possession

23 3 If and insofar as the Bank (or any receiver appointed by it (or their respective employees, agents or delegates (or sub-delegates)) incurs any liability to any other person, firm, company or authority or suffers any loss or damage, or any claim, action or proceeding is brought against the Bank (or any receiver appointed by it (or their respective employees, agents or delegates (or sub-delegates)) by any other person, firm, company or authority directly or indirectly as a result of exercising its right under or in respect of Clause 23 2 the Company shall indemnify the Bank (or any Receiver or any such employee, agent or delegate (or sub-delegate)) against any such liability or claim and the Company's obligations under or in respect of this Clause 23 3 shall be included within the Secured Obligations and form part thereof

24 CONCLUSIVE EVIDENCE

A certificate by an official of the Bank as to the Secured Obligations shall (save for manifest error) be binding and conclusive on the Company in any legal proceedings both in relation to the existence of the liability and as to the amount thereof

25 NO RELIANCE ON THE BANK

25 1 The Company acknowledges to and agrees with the Bank that, in entering into this Debenture and incurring the Secured Obligations

25 1 1 the Company has not relied on any oral or written statement, representation, advice, opinion or information made or given to the Company in good faith by the Bank or anybody on the Bank's behalf and the Bank shall have no liability to the Company if the Company has in fact so done,

25 1 2 the Company has made, independently of the Bank, the Company's own assessment of the viability and profitability of any purchase, project or purpose for which the Company has incurred the Secured Obligations and the Bank shall have no liability to the Company if the Company has not in fact so done, and

- 25 1 3 there are no arrangements or collateral relating to this Debenture, which have not been recorded in writing and signed on behalf of the Bank and the Company
- 25 2 The Company agrees with the Bank that the Bank did not have prior to the date of this Debenture, does not have and will not have any duty to the Company
- 25 2 1 in respect of the application by the Company of the money hereby secured,
- 25 2 2 in respect of the effectiveness, appropriateness or adequacy of the security constituted by this Debenture or of any other security for the Secured Obligations, or
- 25 2 3 to preserve the goodwill of any business carried on by the Company by running, or procuring the running of, such business or otherwise, either before or after the enforcement of this Debenture
- 25 3 The Company agrees with the Bank for itself and as trustee for its officials, employees and agents that neither the Bank nor its officials, employees or agents shall have any liability to the Company in respect of any act or omission by the Bank, its officials, employees or agents done or made in good faith

26 NOTIFICATION OF CHARGE

- 26 1 The Company hereby requests the Chief Land Registrar to register the following restriction on the Proprietorship Register of any registered land forming part of the Charged Property

"RESTRICTION

No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed by the proprietor for the time being of the charge dated _____ in favour of Lloyds Bank plc referred to in the Charges Register "

- 26 2 The Company shall bear all costs of and/or pay to the Bank on demand all costs of and consent to or concur in the entry of any registration, notice or memorandum on any register in the United Kingdom or elsewhere (including without limitation any registration under Section 25 of the Trade Marks Act 1994) which the Bank may require in order to register or note any interest it may have in, to or under the

Intellectual Property Rights described (or any part thereof) and/or to restrict any dealings in, under or in connection with the Intellectual Property Rights and the Company shall waive and procure the waiver of any and all moral rights (being the rights conferred by Chapter IV of the Copyright Designs and Patents Act 1988) which may affect or relate to the Intellectual Property Rights as the Bank may require

27 MISCELLANEOUS

- 27 1 This Debenture may be executed in any number of counterparts and all of such counterparts shall together be deemed to constitute one and the same instrument
- 27 2 Any amendment of or supplement to any part of this Debenture shall only be effective and binding on the Bank and the Company if made in writing and signed by both the Bank and the Company. References to “**this security**”, or to “**this Debenture**” include each such amendment and supplement
- 27 3 The Company and the Bank shall from time to time amend the provisions of this Debenture if the Bank notifies the Company that any amendments are required to ensure that this Debenture reflects the market practice prevailing at the relevant time following the introduction or extension of economic and monetary union and/or the euro in all or any part of the European Union
- 27 4 The Bank and the Company agree that the occurrence or non-occurrence of European economic and monetary union, any event or events associated with European economic and monetary union and/or the introduction of any new currency in all or any part of the European Union will not result in the discharge, cancellation, rescission or termination in whole or in part of this Debenture or give any party hereto the right to cancel, rescind, terminate or vary this Debenture in whole or in part
- 27 5 Any waiver, consent, receipt, settlement or release given by the Bank in relation to this Debenture shall only be effective if given in writing and then only for the purpose for and upon any terms on which it is given
- 27 6 For the purpose of exercising, assigning or transferring its rights under this Debenture, the Bank may disclose to any person any information relating to the Company which the Bank has at any time
- 27 7 The restriction on the right of consolidating mortgages contained in Section 93 of the Law of Property Act 1925 shall not apply to this Debenture or any further or other security entered into pursuant to this Debenture

27 8 Any change in the constitution of the Bank or its absorption of or amalgamation with any other person shall not in any way prejudice or affect the Bank's rights under this Debenture

27 9 If (but for this Clause 27 9) any company which has issued any Securities would by virtue of this Debenture be a "subsidiary undertaking" (as defined by the Companies Act 2006 or the Companies Act 2006) or "associated undertaking" (as defined by the Companies Act 2006 or any statutory provisions for the time being relevant for the purpose of the preparation of the Bank's accounts) of the Bank, then the Bank or its nominee shall only exercise any voting rights in relation to such Securities (and any other rights which are charged to the Bank pursuant to this Debenture and which are relevant for the purposes of the definitions of subsidiary undertaking and associated undertaking) in accordance with the Company's instructions and in the Company's interest, except where the Bank or its nominee is exercising such rights for the purpose of preserving the value of the security hereby created or for the purpose of realising such security

27 10 The Bank shall be entitled to debit any account for the time being of the Company with the Bank with any sum due to the Bank under this Debenture

27 11 Each term in any document relating to the Company's obligations to the Bank is, to the extent not set out in or otherwise incorporated into this Debenture, incorporated into this Debenture in so far as is necessary to comply with section 2 of the Law of Property (Miscellaneous Provisions) Act 1989 but, except where stated otherwise, if there is any conflict between that term and any other term of this Debenture, that other term will prevail

27 12 This document shall at all times be the property of the Bank

28 LAW AND JURISDICTION

28 1 This Debenture and any dispute (whether contractual or non-contractual, including, without limitation, claims in tort, for breach of statutory duty or on any other basis) arising out of or in connection with it or its subject matter ("**Dispute**") shall be governed by and construed in accordance with the law of England and Wales

28 2 The parties to this Debenture irrevocably agree, for the sole benefit of the Bank, that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any Dispute Nothing in this Clause shall limit the right of the Bank to

take proceedings against the Company in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction

IN WITNESS whereof the parties hereto have executed this Debenture as a deed and have delivered it upon its being dated

SCHEDULE 2

Securities

| Name (and registered number) of entity in which shares are held (together the Subsidiary Entities and each a Subsidiary Entity) | Class of shares held | Number of shares held by the Company in the Subsidiary Entity as at the date of this Debenture | Issued share capital of Subsidiary Entity as at the date of this Debenture |
|---|--|--|--|
| Redfearns Wire Products Limited (registered in England with company number 00227265) | Ordinary shares of £1 00 each | 5,499 and 1 jointly held with Sidhil Investments Limited | £5,500 |
| Siddall & Hilton Fencing Products Limited (registered in England with company number 00228013) | Ordinary shares of £1 00 each | 8,111 and 1 jointly held with Sidhil Investments Limited | £8,112 |
| Siddall & Hilton Mesh Limited (registered in England with company number 00388858) | Ordinary shares of £1 00 each | 1,999 and 1 jointly held with Sidhil Investments Limited | £2,000 |
| Standard Wire Company Limited (The) (registered in England with company number 00449898) | Ordinary shares of £1 00 each Preference shares of £1 00 each | 1,999 and 1 jointly held with Sidhil Investments Limited 10,000 | £12,000 |
| Siddall & Hilton Springs Limited (registered in England with company number 00463054) | Ordinary shares of £1 00 each | 2,627 and 1 jointly held with Sidhil Investments Limited | £2,628 |
| Sidhil Business Park | Ordinary shares of | 30,000 | £30,000 |

| | | | |
|---|-------------------------------|---|----------|
| Limited (registered in England with company number 01200837) | £1 00 each | | |
| Direct Wire Ties Limited (registered in England with company number 01459898) | Ordinary shares of £1 00 each | 999 and 1 jointly held with Sidhil Investments Limited | £10,000 |
| Siddall Perimeter Systems Limited (registered in England with company number 01733568) | Ordinary shares of £1 00 each | 9,999 and 1 jointly held with Sidhil Investments Limited | £10,000 |
| Siddall & Hilton (Leasing) Limited (registered in England with company number 01776271) | Ordinary shares of £1 00 each | 49,999 and 1 jointly held with Sidhil Investments Limited | £50,000 |
| Sidhil Investments Limited (registered in England with company number 02264357) | Ordinary shares of £1 00 each | 100 | £100 |
| Doric Springs Limited (registered in England with company number 02602442) | Ordinary shares of £1 00 each | 99,999 and 1 jointly held with Sidhil Investments Limited | £100,000 |
| Wellhose Limited (registered in England with company number 02627395) | Ordinary shares of £1 00 each | 2 | £2 00 |
| S & H Communications Limited (registered in England with company number 02777383) | Ordinary shares of £1 00 each | 2 | £2 00 |

together with

- 1 all shares or other Securities from time to time acquired by the Company in any Subsidiary Entity from time to time after the date of this Debenture, and
- 2 all other stocks, shares, Securities or other interests (together with all rights in respect of them or incidental to them) whether marketable or otherwise now or at any time belonging to the Company

SCHEDULE 4

Form of excluded real property confirmation deed

This **DEED** is supplemental to a debenture dated [****] 2015 made between (1) Siddall and Hilton Limited (company number 000585888) (the **Company**) whose registered office is at Sidhil Business Park, Holmfield, Halifax, West Yorkshire HX2 9TN and (2) Lloyds Bank plc (company number 00002065) (the **Bank**) whose registered office is at 25 Gresham Street, London EC2V 7HN and whose address for communications under this Deed is c/o Lloyds Banking Group, Glasgow Securities Centre, 5th Floor, 110 St Vincent Street, Glasgow G25 5ER (the **Debenture**)

IT IS HEREBY AGREED AS FOLLOWS

- 1 With effect from the date of this Deed the following property (the **Specified Property**) shall constitute Excluded Real Property for the purposes of the Debenture

[Insert details of relevant property]

- 2 For the avoidance of doubt

- 2.1 the floating charge created by Clause 4.1.12 shall continue to apply to the Specified Property, and
- 2.2 nothing in this Deed shall prejudice or affect the continuing nature of the security created by the Debenture as regards all other property referred to in the Debenture or the obligations of the Company or the rights of the Bank under the Debenture

IN WITNESS whereof the parties hereto have executed this Deed as a deed and have delivered it upon its being dated

| | |
|---|---|
| The Company <i>[Insert execution block for Company]</i> | The Bank <i>[Insert execution block for Bank]</i> |
|---|---|

EXECUTION

The Company

EXECUTED AND DELIVERED)

AS A DEED by SIDDALL AND HILTON)

LIMITED acting by its duly authorised director)

Director

Print name

in the presence of

John Morris (17/17)

Witness signature

EMMA COLLINS

Witness name (PRINT)

WALKER MORRIS LLP
KINGS STREET
LEEDS
LS1 2HL
DX 12051 LEEDS 24

Witness address

SOLICITOR

Witness occupation

The Bank

EXECUTED as a DEED by)

LLOYDS BANK PLC acting by)

its duly authorised attorney)

Attorney

Print name *IAN S. COLLIS*

in the presence of

Witness signature

KATE SCHIFFIELD

Witness name

WALKER MORRIS LLP
KINGS STREET
LEEDS
LS1 2HL
DX 12051 LEEDS 24

Witness address

PARALEL-11

Witness occupation

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]