



Registration of a Charge

Company name: **SOLIHULL MOORS HOLDINGS CIC**

Company number: **00975879**



X7DFXLDM

Received for Electronic Filing: **30/08/2018**

Details of Charge

Date of creation: **22/08/2018**

Charge code: **0097 5879 0005**

Persons entitled: **CALVIN BARNETT (AS SECURITY TRUSTEE)**

Brief description: **FREEHOLD LAND AT DAMSON PARK, DAMSON PARKWAY SOLIHULL, REGISTERED IN THE NAME OF SOLIHULL MOORS HOLDINGS CIC (TITLE NUMBER WM390397, WM103610 AND WM701269) AND ALL OTHER LAND VESTED IN SOLIHULL MOORS GROUP LIMITED AND SOLIHULL MOORS HOLDINGS CIC (THE "CHARGORS"). ALL OTHER LAND VESTED IN THE CHARGORS AND ALL LAND ACQUIRED BY THE CHARGORS AFTER THE DATE OF THE DEBENTURE. ALL REGISTERED INTELLECTUAL PROPERTY RIGHT, INVENTION, COPYRIGHT, DESIGN RIGHT OR PERFORMANCE RIGHT, TRADE SECRETS, KNOW HOW AND CONFIDENTIAL INFORMATION AND THE BENEFIT OF ANY AGREEMENT OR LICENCE FOR THE USE OF ANY SUCH RIGHT, IN WHICH THE CHARGORS HAVE AN INTEREST.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

Authentication of Instrument

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

Certified by: **EMILY PROVERBS, SOLICITOR, FIELDFISHER LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 975879

Charge code: 0097 5879 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd August 2018 and created by SOLIHULL MOORS HOLDINGS CIC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th August 2018 .

Given at Companies House, Cardiff on 3rd September 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Date: 22 August 2018

The Companies named in Schedule 1

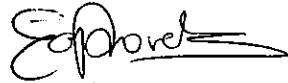
as Chargors

Calvin Barnett

as Security Trustee

Debenture

We hereby certify this to be a
true copy of the original
Fieldfisher LLP

 Solicitor
Emily Probert 29.08.18

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THIS DEBENTURE is made the 22nd day of August 2018

BETWEEN:

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (each a "**Chargor**" and together the "**Chargors**"); and
- (2) **CALVIN BARNETT** of 3 The Firs, Stockbridge, Road, Winchester, SO22 6BD as Security Trustee for the Beneficiaries (the "**Security Trustee**").

IT IS AGREED:

1. Interpretation

1.1 Definitions

In this Debenture terms defined in the Security Trust Deed shall have the same meanings herein and:

"**Account**" means any account opened or maintained by any Chargor at any bank or financial institution.

"**Beneficiaries**" means the Security Trustee and the Loan Note Holders, together with any other party who accedes to the Security Trust Deed as a Beneficiary (and each a **Beneficiary**).

"**Business Day**" means any day, other than a Saturday or Sunday or English public or bank holiday.

"**Charged Property**" means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the security created in favour of the Security Trustee by or pursuant to this Debenture.

"**Collateral Instruments**" means negotiable and non negotiable instruments, guarantees, indemnities and other assurances against financial loss and any other documents or instruments which contain or evidence an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for any liabilities of any person and including without limitation any document or instrument creating or evidencing an Encumbrance.

"**Default Rate**" means the rate of four per cent. above the base rate from time to time of Lloyds Bank plc.

"**Encumbrance**" means any mortgage, charge, assignment for the purpose of security, pledge, lien, right of set-off, arrangement for retention of title, or hypothecation or trust arrangement for the purpose of, or which has the effect of, granting security, or other security interest of any kind whatsoever and any agreement, whether expressed to be conditional or otherwise, to create any of the same or any agreement to sell or otherwise dispose of any asset on terms whereby such asset is or may be leased to or re-acquired or acquired by the person so agreeing or disposing.

"**Enforcement Action**" means:

- (a) the acceleration of any Secured Liabilities or any declaration that any Secured Liabilities are prematurely due and payable or payable on demand;

- (b) the taking of any steps to enforce or require the enforcement of this Debenture (including the crystallisation of any floating charge);
- (c) the making of any demand against any Chargor in relation to any guarantee, indemnity or other assurance against loss in respect of any Secured Liabilities; the exercise of any right of set-off against any Chargor in respect of any Secured Liabilities excluding any right of set off under a netting arrangement with the Chargors' clearing bank;
- (d) the suing for, commencing or joining of any legal or arbitration proceedings against any Chargor to recover any Secured Liabilities; or
- (e) the petitioning, applying or voting for, or the taking of any steps which may lead to any administration, winding-up, insolvency or dissolution of or in relation to any Chargor.

"Enforcement Date" means the date on which the Loan Note Holders or the Security Trustee first take Enforcement Action.

"Fixed Plant and Equipment" means all plant, machinery or equipment of the Chargors of any kind which does not for any reason constitute a Fixture, but is now or at any time directly or indirectly attached by any means and for any purpose to any land or building, whether or not it is removable or intended to form part of the land or building.

"Fixtures" means all things of any kind now or at any time affixed to the Land for any purpose, including, without limitation, trade and tenants fixtures.

"Guarantee" means the guarantee given by the Chargors pursuant to Clause 12 and Schedule 2 of the Loan Note Instrument.

"Insurances" means any policy of insurance or assurance in which the Chargors has an interest and all claims and rebates of premium under any such policy.

"Intellectual Property" means any of the following in which the Chargors has an interest:

- (a) any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents, trade marks, service marks, registered designs, and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above;
- (b) any invention, copyright, design right or performance right;
- (c) any trade secrets, know-how and confidential information; and
- (d) the benefit of any agreement or licence for the use of any such right.

"Land" means any estate, right or interest in or over land, whether legal or equitable, and wherever the land is situated including, without limitation, any buildings and Fixtures on the Land, and the benefit of any covenants or rights owed to any person or enforceable by him by virtue of the ownership possession or occupation of land but for these purposes **Land** excludes heritable property situated in Scotland.

"Loan Note Holders" means the holders of any Loan Notes from time to time.

"Loan Note Instrument" means the loan note instrument dated the date hereof executed by the Chargors and Solihull Moors Football Club CIC constituting the Loan Notes.

"Loan Notes" means the £2,500,000 interest free secured Loan Notes 2028 of the Parent.

"Loose Plant and Equipment" means in relation to the Chargors, all plant, machinery, equipment and motor vehicles now or at any time owned by any Chargor as a capital asset which is not Fixed Plant and Equipment.

"LPA" means the Law of Property Act 1925.

"Monetary Claims" means all book and other debts and monetary claims now or in the future owing to any Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, and together with all cheques, bills of exchange, negotiable instruments, credits and securities at any time given in relation to, or to secure payment of, any such debt.

"Notice of Charge" means a notice of charge in such form as may be specified by the Security Trustee.

"Parent" means Solihull Moors Group Limited.

"Receiver" means any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property.

"Register" has the meaning given to it in the Loan Note Instruments.

"Related Rights" means in relation to any Charged Property:

- (a) the proceeds of sale of any part of that Charged Property;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that Charged Property; and
- (d) any moneys and proceeds paid or payable in respect of that Charged Property.

"Secured Liabilities" means any liability expressed to be due, owing or payable by any Chargor to the Loan Note Holders in any manner whatsoever (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise) in connection with the Loan Notes or to the Security Trustee in connection with this Deed and/or the Security Trust Deed (together the **"Secured Liabilities"**).

"Securities" means all the right, title and interest of a Chargor, now or in the future, in any:

- (a) stocks, shares, bonds, debentures, loan stocks, or other securities issued by any person;
- (b) warrants, options or other rights to subscribe, purchase or otherwise acquire any stocks, shares, bonds, debentures, loan stocks or other securities or investments issued by any person; and
- (c) units or other interests in any unit trust or collective investment scheme.

"Security" means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Trust Deed" means the security trust deed dated on or around the date of this deed made between the Chargors, the Security Trustee and the holders of the Loan Notes pursuant to which the Security Trustee has agreed to hold the benefit of the Security constituted by this Deed on trust for the Beneficiaries from time to time.

- 1.2 In this Debenture, unless the context otherwise requires:
- 1.2.1 words importing the singular shall include the plural and vice versa and reference to any gender includes the other gender;
 - 1.2.2 this Debenture or to any other instrument, agreement or document shall, unless the context otherwise requires, be construed as reference to this Debenture or such other instrument, agreement or document as the same may from time to time be amended, varied, supplemented or novated;
 - 1.2.3 the assets of any person shall be construed as a reference to all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;
 - 1.2.4 an encumbrance shall be construed as a reference to a mortgage, charge, assignment, pledge, lien (save as arising in the ordinary course of business), hypothecation, right of set-off, preferential right (save as arising under the general law for the protection of certain classes of creditors) or trust arrangement for the purpose of and having a similar effect to the granting of security, or other security interest of any kind;
 - 1.2.5 a guarantee also includes an indemnity and any other obligation (whatever called) of any person to pay, purchase, provide funds (whether by the advance of money, the purchase or subscription of shares or other securities, the purchase of assets or services, or otherwise) for the payment of, indemnify against the consequences of default of, or otherwise be responsible for any indebtedness of any other person (and guaranteed shall be construed accordingly);
 - 1.2.6 a person shall be construed as a reference to any individual, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
 - 1.2.7 repayment includes redemption and vice versa and the words repay, redeem, repayable, redeemable, repaid and redeemed shall be construed accordingly;
 - 1.2.8 sterling and £ denotes the lawful currency of the United Kingdom;
 - 1.2.9 tax shall be construed so as to include any present and future tax, levy, impost, deduction, withholding, duty or other charge of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
 - 1.2.10 the winding-up, dissolution or administration of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or of any jurisdiction in which such person carries on business;
 - 1.2.11 all references to documents include all variations and replacements of such documents and supplements to such documents;
 - 1.2.12 all references to a party include references to its personal representatives, permitted assigns and transferees and its successors in title;

references to persons include bodies corporate, unincorporated associations and partnerships; and

words and phrases defined in the Companies Act 2006 have the same meanings in this Debenture but the word company includes any body corporate.

1.3 In this Debenture:

1.3.1 any reference to any statute or statutory instrument includes any enactment replacing or amending it or any instrument, order or regulation made under it and also includes any past statutory provisions (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced; and

1.3.2 headings are for reference purposes only and shall not affect the construction of anything in this Debenture.

1.4 All the provisions of this Debenture are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this Instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

1.5 In construing this Debenture general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

1.6 The headings in this Debenture are inserted for convenience only and shall not affect construction or interpretation and references to a clause, Condition, Schedule or paragraph are (unless otherwise stated) to a clause or Schedule in this Debenture and to a Condition or a paragraph to the relevant Schedule.

1.7 References to the Loan Notes include references to all and/or any of the Loan Notes.

2. Covenant to Pay

2.1 Secured Liabilities

The Chargors covenant with the Security Trustee that they will on demand pay and discharge any or all of the Secured Liabilities when due.

2.2 Interest

The Chargors covenant with the Security Trustee to pay interest upon any sum demanded in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after any judgment) at the Default Rate.

3. Charges

3.1 Mortgages and Fixed Charges

3.2 As a continuing security for payment of the Secured Liabilities, the Chargors with full title guarantee charge to the Security Trustee all their rights, title and interest from time to time in each of the following assets:

- 3.2.1 by way of first legal mortgage all Land which is described in Schedule 2 (if any) and all other Land now vested in the Chargors;
- 3.2.2 by way of first fixed charge all other Land now vested in the Chargors (to the extent not effectively charged by Clause 3.2) and all Land acquired by the Chargors after the date of this Debenture;
- 3.2.3 by way of first fixed charge:
- (a) the Securities;
 - (b) the Intellectual Property;
 - (c) the Monetary Claims;
 - (d) the Fixed Plant and Equipment;
 - (e) the Loose Plant and Equipment;
 - (f) the Accounts;
 - (g) the Insurances;
 - (h) the Related Rights under or in connection with the Securities, the Accounts, the Insurances, the Intellectual Property, the Monetary Claims, the Fixed Plant and Equipment and the Loose Plant and Equipment; and
 - (i) its present and future goodwill and uncalled capital.

3.3 Floating Charge

As continuing security for payment of the Secured Liabilities, the Chargors with full title guarantee charge to the Security Trustee by way of first floating charge the whole of the Chargors' undertaking and assets, present and future and wherever situated, which are not for any reason effectively charged (whether in law or equity) by way of fixed security by this Debenture, including, without limitation, any heritable property of the Chargors situated in Scotland.

3.4 Trust

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the Chargors shall hold it on trust for Security Trustee.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Debenture.

4. Crystallisation of floating charge

4.1 Crystallisation: By Notice

The Security Trustee may at any time by notice in writing to the Chargors convert the floating charges created by Clause 3.3 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- 4.1.1 the Enforcement Date has occurred;

4.1.2 the Security Trustee consider that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or

4.1.3 the Security Trustee consider that it is necessary in order to protect the priority of the Security created by or pursuant to this Debenture.

4.2 Crystallisation: Automatic

The floating charge created by Clause 3.3 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to the floating charge if:

4.2.1 any Chargor creates or attempts to create any Security other than the Security as in existence at the date of this Debenture to secure its obligations to the holders of the Loan Notes under the Loan Note Instrument over any of the Charged Property; or

4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or

4.2.3 any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of any Chargor, over all or any part of their assets, or if such person is appointed.

4.3 Crystallisation: Moratorium where directors propose voluntary arrangement

The floating charge created by Clause 3.3 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:

4.3.1 the obtaining of a moratorium; or

4.3.2 anything done with a view to obtaining a moratorium,
under Schedule A1 to the Insolvency Act 1986.

5. Perfection of Security

5.1 Notices of Charge

The Chargors shall deliver to the Security Trustee (or procure delivery of) Notices of Charge duly executed by, or on behalf of, the Chargors:

5.1.1 in respect of the Insurances, on the date of this Debenture and promptly upon purchasing any further Insurance after the date of this Debenture;

5.1.2 in respect of each Account, on the date of this Debenture and promptly upon the opening of any further Account after the date of this Debenture; and

5.1.3 in respect of any other asset which is the subject of a charge pursuant to Clause 3.2.2, promptly upon the request of the Security Trustee from time to time,

5.1.4 and in each case shall use all reasonable endeavours to procure that each notice is acknowledged by the party to whom such Notice of Charge is addressed.

5.2 Delivery of Documents of Title

The Chargors shall upon the execution of this Debenture (or, if later, upon receipt or entitlement thereof), deposit with the Security Trustee and the Security Trustee during the continuance of this security shall be entitled to hold all deeds, certificates and other documents of title relating to Land, the Securities and the Insurances. In the case of the Securities, the Chargors shall also deliver such stock transfer forms or other instruments of transfer (stamped and executed in blank by the Chargors) as the Security Trustee may request.

5.3 Application to the Land Registry

Each Chargor and the Security Trustee apply to the Land Registry for the following to be entered into on the register of the title to any Land now or in the future owned by the Chargors:

a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*insert date of charge*] in favour of [•] referred to in the charges register (Form P)".

6. Further Assurance

6.1 General

Each Chargor shall, at the Security Trustee' expense, at any time when required by the Security Trustee, execute and deliver to the Security Trustee:

- 6.1.1 a valid legal mortgage of any Land now or in the future owned by the Chargors;
- 6.1.2 a fixed charge over any interest, not capable of being charged by way of legal mortgage, in any Land now or in the future belonging to any Chargor;
- 6.1.3 a legal assignment or other fixed Security over all or any of the Charged Property;
- 6.1.4 where any of its assets are situated outside England and Wales, such fixed security (or such security in that jurisdiction most closely akin to fixed security) under the law of the place where the asset is situated as the Security Trustee may require; and
- 6.1.5 a notice to any third party of any of the charges or assignments created by or pursuant to this Debenture,

in each case, in such form as the Security Trustee may require.

6.2 Other acts

Without prejudice to Clause 6 (*General*), the Chargors shall, at the Security Trustee' expense, at any time when required by the Security Trustee, do and concur in all acts or things as the Security Trustee may deem necessary or desirable for the purpose of the creation, perfection, protection or maintenance of any of the Security intended to be created by this Debenture over all or any of the Charged Property or to facilitate the enforcement of that Security, or the exercise of any powers or discretions intended to be vested in the Security Trustee or any Receiver by this Debenture.

7. Restrictions on dealing

7.1 Negative Pledge

Each Chargor undertakes that it shall not, without the Security Trustee' prior written consent, at any time during the subsistence of this Debenture, create or permit to subsist any Security over all or any part of the Charged Property other than the Security in existence at the date of this Debenture required to secure its obligations to the Beneficiaries under the Loan Note Documents.

7.2 Disposals

Each Chargor undertakes that it shall not (and shall not agree to), without the Security Trustee' prior written consent, at any time during the subsistence of this Debenture, sell, transfer, assign, lease or hire out, factor, discount, licence, lend, part with its interest in or otherwise dispose of any of the Charged Property or permit the same to occur, or agree to do any of the foregoing, provided that, until:-

7.2.1 the floating charge created by Clause 3.3 (*Floating Charge*) is converted into a fixed charge; or

7.2.2 the occurrence of the Enforcement Date,

the Chargors may hold, enjoy and deal with, in accordance with the Loan Note Documents, the Charged Property which is not at the relevant time expressed to be subject to a fixed charge or mortgage.

8. Securities

8.1 Securities: Before Enforcement Date

Prior to the occurrence of the Enforcement Date, the Chargors shall:

8.1.1 pay all dividends, interest and other monies arising from the Securities into an Account; and

8.1.2 exercise all voting rights in relation to the Securities for any purpose not inconsistent with the terms of the Loan Notes.

8.2 Securities: After Enforcement Date

After the occurrence of the Enforcement Date, the Security Trustee may at its discretion (in the name of the Chargors or otherwise and without any further consent or authority from the Chargors):

8.2.1 exercise (or refrain from exercising) any voting rights in respect of the Securities;

8.2.2 apply all dividends, interest and other monies arising from the Securities in accordance with Clause 15 (Application of Moneys);

8.2.3 transfer the Securities into the name of such nominee(s) of the Security Trustee as it shall require; and

8.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities,

in each case, in such manner and on such terms as the Security Trustee may think fit and the proceeds of any such action shall form part of the Charged Property.

8.3 Securities: Payment of Calls

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities which are not fully paid (unless reasonably contested), and in any case of default by the Chargors in such payment, the Security Trustee may, if it thinks fit, make such payment on behalf of the Chargors in which case any sums paid by the Security Trustee shall be reimbursed by the Chargors to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate notified to the Chargors by the Security Trustee.

8.4 Securities: Exercise of Rights

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Security Trustee, would prejudice the effectiveness of, or the ability of the Security Trustee to realise, the security created by or pursuant to this Debenture.

9. Accounts

9.1 Accounts: Notification and Variation

Each Chargor, during the subsistence of this Debenture:

- 9.1.1 shall promptly deliver to the Security Trustee on the date of this Debenture (and, if any change occurs after the date of this Debenture, on that date), details of each Account maintained by it with any bank or financial institution; and
- 9.1.2 other than in the ordinary course of business of the bank at which any such Account is held, shall not, without the Security Trustee's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account unless such account closure is notified in advance to the Security Trustee.

9.2 Accounts: Operation Before Enforcement Date

The Chargors shall, prior to the occurrence of the Enforcement Date, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account.

9.3 Accounts: Operation After Enforcement Date

After the occurrence of the Enforcement Date, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Security Trustee.

9.4 Accounts: Application of Moneys

The Security Trustee shall, upon the occurrence of the Enforcement Date, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with and subject to Clause 15 (*Application of Moneys*).

10. Monetary claims

10.1 No dealing with Monetary Claims

The Chargors shall not at any time during the subsistence of this Debenture, without the prior written consent of the Security Trustee, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do any of the foregoing.

10.2 Proceeds of Monetary Claims

The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Account.

11. Insurances

11.1 Insurances: Undertakings

Each Chargor shall at all times during the subsistence of this Debenture:-

11.1.1 keep the Charged Property insured with those insurances normally maintained by prudent companies carrying on a similar business and with an insurance office or underwriters to be approved by the Security Trustee in writing from time to time;

11.1.2 if required by the Security Trustee, cause each Insurance relating to the Charged Property to contain (in form and substance satisfactory to the Security Trustee) an endorsement naming the Security Trustee as loss payee in respect of all claims;

11.1.3 promptly pay all premiums and other moneys payable under all its Insurances or procure that such is done and, promptly upon request, produce to the Security Trustee a copy of each policy and evidence (acceptable to the Security Trustee) of the payment of such sums (or procure that such is done) and not do or omit to do or permit or suffer to be done or omitted to be done, anything which might render any Insurance required by this clause void, voidable or unenforceable; and

11.1.4 if required by the Security Trustee, provide a copy of all Insurances relating to the Charged Property to the Security Trustee.

11.2 Insurance: Default

11.3 If any Chargor defaults in complying with Clause 11.1 (Insurance: Undertakings), the Security Trustee may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all moneys expended by the Security Trustee in doing so shall be reimbursed by the Chargors to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate specified in Clause 1.7 (Covenant to Pay).

11.4 Application of Insurance Proceeds

All moneys received under any Insurance relating to the Charged Property shall, prior to the occurrence of the Enforcement Date, be used to keep the Charged Property in good and substantial repair. After the occurrence of the Enforcement Date, the Chargors shall hold such moneys upon trust for the Security Trustee pending payment to the Security Trustee for application in accordance with Clause 15 (Application of Moneys) and the Chargors waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Charged Property.

11.5 Land

The Chargors shall (with the intent that this Clause 11.5 (Land) shall apply in relation to all Land now vested in the Chargors or acquired by the Chargors after the date of this Debenture):

11.6 Repair and Alterations

Unless otherwise agreed in writing by the Security Trustee, the Chargors shall:

- 11.6.1 keep or cause to be kept all buildings and Fixtures from time to time on or in any of its Land and all other plant, machinery and equipment belonging to it in good and substantial repair and good working order;
- 11.6.2 not, without the prior written consent of the Security Trustee, make or permit the making of any alteration or addition to any of its Land (other than internal non-structural alterations) or commit or permit any person to commit any waste upon or injure or in any manner or by any means lessen the value of its Land or sever or permit to be severed from any of its Land any Fixtures except for the purpose of replacing them as soon as practicable with others of equal or greater value; and
- 11.6.3 permit any authorised representative of the Security Trustee at any time to enter any of its Land for any purpose without becoming liable to account as a mortgagee in possession and to inspect and test any work being carried out and, where any breach of covenant, defect, disrepair or unauthorised alteration, improvement or addition shall be found, remedy all such breaches and execute all such repairs or removals as the Security Trustee may require within 28 days after notice (or immediately, in case of emergency).

11.7 Statutes

Unless otherwise agreed in writing by the Security Trustee, the Chargors shall:

- 11.7.1 comply with the provisions of all statutes and the requirement of any competent authority affecting any of its Land or the use of any of its Land or anything done on any Land; and
- 11.7.2 ensure that all consents and approvals under all statutes and the regulations and codes of practice of any competent authority affecting any of its Land have been obtained and are complied with, and produce on demand such evidence as the Security Trustee may require to satisfy themselves that such consents and approvals have been obtained and are complied with.

11.8 Leases

Unless otherwise agreed in writing by the Security Trustee the Chargors shall:

- 11.8.1 pay the rents and observe and perform all covenants, conditions, agreements or obligations on its part to be observed and performed contained in any lease under which any of its Land is held by the Chargors and any licence, consent or approval given under any lease, and use its best endeavours to enforce observance and performance of the lessor's covenants in any lease;
- 11.8.2 not accelerate or defer payment of any moneys payable under any such lease and where any lease contains a provision for the review of rent promptly notify the Security Trustee of any attempt by the lessor to implement a review but not agree the reviewed rent or appoint or agree to the appointment of a third party to determine a rent review without the prior written consent of the Security Trustee;
- 11.8.3 not to apply for any licence, consent or approval under any such lease or any superior lease without the prior written consent of the Security Trustee; and

- 11.8.4 promptly give notice to the Security Trustee if the Chargors receives notice under section 146 of the LPA or any proceedings are commenced for forfeiture of any such lease or any superior lease or the lessor or any superior lessor re-enters or attempts to re-enter thereunder and at the request of the Security Trustee but at the cost of the Chargors take such steps as the Security Trustee may require in relation thereto.

11.9 Power of Leasing

Not, without the prior written consent of the Security Trustee, 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 any of its Land or confer or permit to be conferred upon any person any contractual licence, right or interest to occupy or use or grant any licence or permission to assign, underlet or part with possession of the whole or any part of its Land or agree to do any of the foregoing, and sections 99 and 100 of the LPA shall not apply to this Debenture.

11.10 Compulsory Acquisition

Not without the prior written consent of the Security Trustee enter into any negotiations with any competent authority with regard to the compulsory acquisition of any of its Land or consent to the compulsory acquisition of any of its Land, and, if so requested by the Security Trustee, permit the Security Trustee or their authorised representatives to conduct such negotiations or to give such consent on the Chargors' behalf;

11.11 Outgoings

The Chargors shall pay as and when the same become due all rates, taxes, duties, charges, assessments and other outgoings payable in respect of its Land; and

11.12 Encumbrances

The Chargors shall comply with:

- 11.12.1 all obligations, covenants, exceptions, reservations, licences, approvals, consents, stipulations, restrictions and conditions to which it is subject including, but without limitation, those relating to any of its Land or the use or enjoyment of any of its Land or imposed upon the Chargors as owner, occupier or user, as the case may be, of any of its Land; and
- 11.12.2 its obligations under any Security having priority to the Security created by or pursuant to this Debenture.

12. Demand and Enforcement

12.1 Enforcement

This Debenture shall become enforceable in respect of and against each Chorgor:

- 12.1.1 upon any written demand being made by the Loan Note Holders for payment of any of the Secured Liabilities by the Chargors following the exercise of such right in accordance with the terms of the Loan Note Instrument;
- 12.1.2 upon any request being made by the Chargors to the Security Trustee for the appointment of a Receiver or for the Security Trustee to exercise any other power or right available to it;

12.1.3 upon the occurrence of any event causing, or purporting to cause, the floating charge created by this Debenture to become fixed in relation to any Charged Property; or

12.1.4 upon the passing of any resolution, or the presentation of a petition, for winding up of the Chargors or the making of an application for an administration order in relation to the Chargors or the taking of any steps in relation to the appointment of an administrator of the Chargors.

12.2 Demand for payment

12.2.1 Any demand for payment, and any other notice to be given by the Security Trustee under this Debenture, shall be in writing and shall be signed by the Security Trustee or either of them, and may be made or given to the Chargors at the registered office of the Chargors:-

12.2.2 by delivering it by hand to the registered office of the Chargors (in which case it shall be deemed received at the time of delivery if delivered on a Business Day or 10.00am on the next Business Day if delivered on a day which is not a Business Day); or

12.2.3 by sending it by first class post to any such place (in which case it shall be deemed received at 10.00am on the next Business Day after posting, and proof of posting shall be proof of delivery).

12.3 Powers on enforcement

At any time after this Debenture has become enforceable, the Security Trustee may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

12.3.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Debenture, without the restrictions contained in sections 103 or 109(1) of the LPA; and

12.3.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA.

13. Receivers

13.1 Appointment

At any time after this Debenture has become enforceable in respect of and against the Chargors, the Security Trustee may appoint any person or persons to be a Receiver or Receivers of all or any part of the Charged Property of the Chargors charged under this Debenture or an administrator of the Chargors. An appointment over part only of such Charged Property shall not preclude the Security Trustee from making any subsequent appointment over any other part of such Charged Property.

13.2 Appointment in writing

The appointment of a Receiver shall be in writing, and shall be signed by the Security Trustee or either of them. Where more than one person is acting at any time as Receiver, they shall have power to act severally as well as jointly.

13.3 Remuneration

The Security Trustee may from time to time determine the remuneration of the Receiver (which shall not be subject to the limit in section 109(6) of the LPA) and may (subject to the application

of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

13.4 Powers

The Receiver shall be the agent of the Chargors (which shall be solely liable for his acts, defaults and remuneration) unless and until the Chargors goes into liquidation from which time he shall act as principal and shall not become the agent of the Security Trustee, and the Receiver shall have and be entitled to exercise in relation to the Charged Property all the powers:-

- 13.4.1 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;
- 13.4.2 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 13.4.3 and rights that an absolute owner would have in relation to any Charged Property; and
- 13.4.4 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

14. Power of Attorney

14.1 Appointment

The Chargors hereby irrevocably and by way of security appoints:

- 14.1.1 the Security Trustee (whether or not a Receiver has been appointed); and also
- 14.1.2 (as a separate appointment) each Receiver,

severally as the attorney and attorneys of the Chargors with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of the Chargors, which the Chargors could be required to do or execute under any provision of this Debenture, or which the Security Trustee in their sole opinion may consider necessary or desirable for perfecting the Security Trustee title to any of the Charged Property of the Chargors or enabling the Security Trustee or the Receiver to exercise any of its or his rights or powers under this Debenture.

14.2 Ratification

The Chargors ratify and confirm and agree to ratify and confirm whatever any such attorney as is mentioned in Clause 14.1 (Appointment) shall do or purport to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 14.1 (Appointment).

15. Application of Moneys

15.1 Application of moneys

All sums received by virtue of this Debenture by the Security Trustee or the Receiver shall, subject to the payment of any claim having priority to this Debenture, be paid or applied in the following order of priority:-

- 15.1.1 first, in or towards satisfaction of all costs, charges and expenses incurred and payments made by the Security Trustee, or the Receiver (including, without limitation, legal expenses) and of the remuneration of the Receiver;

15.1.2 secondly, in or towards payment of the Secured Liabilities in such order as the Security Trustee may at its discretion require; and

15.1.3 thirdly, as to the surplus (if any), to the person or persons entitled to such surplus,
and section 109(8) of the LPA shall not apply.

16. Protection of Third Parties

16.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Security Trustee, as varied and extended by this Debenture, and all other powers of the Security Trustee, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Debenture.

16.2 Purchasers

No purchaser from or other person dealing with the Security Trustee, any person to whom it has delegated any of its powers, or the Receiver shall be concerned to enquire whether any of the powers which they have exercised has arisen or become exercisable, or whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act or as to the propriety or validity of the exercise of any such power, and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

16.3 Receipts

The receipt of the Security Trustee or the Receiver shall be an absolute and conclusive discharge to a purchaser or any other person dealing with the Security Trustee.

17. Protection of the Security Trustee and any Receiver

17.1 No liability

The Security Trustee and any Receiver shall not be liable in respect of any loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise any of their respective powers under this Debenture.

17.2 Not mortgagee in possession

Without prejudice to any other provision of this Debenture, entry into possession of any Charged Property shall not render the Security Trustee or the Receiver liable:-

17.2.1 to account as mortgagee in possession;

17.2.2 for any loss on realisation; or

17.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Security Trustee or the Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to go out of such possession.

17.3 Indemnity

The Chargors shall indemnify and keep indemnified the Security Trustee, every Receiver, and any person who acts as the servant, agent, delegate or attorney of any of them, against all

claims, costs, expenses and liabilities which they may suffer or incur arising in any way out of the taking or holding of this Debenture, the exercise or purported exercise of any right, power, authority or discretion given by it, or any other act or omission in relation to this Debenture or the Charged Property.

17.4 Currency protection

If any amount due to be paid to the Security Trustee is, for any reason, paid in a currency (the currency of payment) other than the currency in which it was expressed to be payable (the contractual currency), the Security Trustee may wherever they think fit apply the amount of the currency of payment received by it in the purchase, in accordance with its normal practice, of the contractual currency, and if this results in any shortfall below the amount due in the contractual currency, after deducting all taxes, costs and commissions payable in connection with that purchase, the Chargors shall indemnify the Security Trustee against the amount of the shortfall.

17.5 Continuing protection

The provisions of this Clause 17 shall continue in full force and effect notwithstanding any release or discharge of this Debenture, or the discharge of any Receiver from office.

18. Provisions relating to the Security Trustee

18.1 Powers and discretions

The rights, powers and discretions given to the Security Trustee in this Debenture:-

18.1.1 may be exercised as often as, and in such manner as, the Security Trustee think fit;

18.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and

18.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

18.2 Certificates

A certificate by an authorised officer of the Security Trustee as to any sums payable to the Security Trustee under this Debenture shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

18.3 Assignment

The Security Trustee may assign this Debenture to replacement Security Trustee appointed in accordance with the terms of the Security Trust Deed and the Security Trustee may disclose any information in its possession relating to the Chargors, its affairs or the Secured Liabilities to any actual or prospective assignee.

18.4 Delegation

The Security Trustee may at any time and from time to time delegate by power of attorney or in any other manner to any person or persons all or any of the rights, powers and discretions which are for the time being exercisable by it under this Debenture.

19. preservation of security

19.1 Continuing Security

This Debenture shall be a continuing security to the Security Trustee and shall remain in force until expressly discharged in writing by the Security Trustee notwithstanding any intermediate settlement of account or other matter or thing whatsoever and shall be without prejudice and in addition to any other right, remedy or Security of any kind which the Security Trustee may have now or at any time in the future for or in respect of any of the Secured Liabilities.

20. No Merger

This Debenture is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Trustee may at any time hold for any other Secured Liabilities.

20.1 Waiver of Defences

Neither the Security created by this Debenture nor the obligations of the Chargors under this Debenture will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it or the Security Trustee) including:-

- 20.1.1 any time, waiver or consent granted to, or composition with, a Chargors or other person;
- 20.1.2 the release of a Chargors or any other person under the terms of any composition or arrangement with any person;
- 20.1.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of a Chargors or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 20.1.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Chargors or any other person;
- 20.1.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of any other document or Security;
- 20.1.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any other document; or
- 20.1.7 an insolvency, liquidation, administration or similar procedure.

20.2 Order of Recourse

This Debenture may be enforced against the Chargors without the Security Trustee first having recourse to any other right, remedy, guarantee or Security held by or available to any of them.

20.3 Reinstatement

If any payment by the Chargors or discharge given by the Security Trustee (whether in respect of the obligations of the Chargors or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event:-

- 20.3.1 the liability of the Chargors and the Security created by this Debenture shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

- 20.3.2 the Security Trustee shall be entitled to recover the value or amount of that Security or payment from the Chargors, as if the payment, discharge, avoidance or reduction had not occurred.

21. Release

- 21.1 Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, the Security Trustee shall, or shall procure that its appointees will, at the request and cost of the Chargors:

21.1.1 release the Charged Property from this Debenture; and

21.1.2 re-assign the Charged Property that has been assigned to the Security Trustee under this Debenture.

21.2 Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Debenture.

22. Miscellaneous Provisions

22.1 Severability

If any provision of this Debenture is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

22.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

22.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

22.2 Costs, charges and expenses

All costs, charges and expenses incurred or paid by the Security Trustee or by the Receiver in the exercise of any power or right given by this Debenture or in relation to any consent requested by the Chargors, or in perfecting or otherwise in connection with this Debenture or the Charged Property, all sums recoverable under Clause 17 (Protection of the Security Trustee and any Receiver) and all costs of the Security Trustee (on an indemnity basis) of all proceedings for the enforcement of this Debenture or for obtaining payment of moneys by this Debenture secured, shall be recoverable from the Chargors as debts, may be debited by the Security Trustee at any time to any account of the Chargors and shall bear interest until payment at the rate or rates applicable to the account to which they are debited.

22.3 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

22.4 Contracts (Rights of Third Parties) Act 1999

The Security Trustee, any Receiver and their respective officers, employees and agents may enforce any term of this Debenture which purports to confer a benefit on that person, but no other person who is not a party to this Debenture has any right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or to enjoy the benefit of any term of this Debenture.

22.5 Counterparts

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

22.6 Security Trust Deed

The provisions of the Security Trust Deed shall apply to the Security Trustee' rights and obligations and duties under this Deed as if set out in this Deed in full.

23. Notices

23.1 Notices

Any notice, request, demand or other document may be given or sent by one person to another in connection with this Debenture by sending the same by post in a prepaid, first-class letter addressed to the relevant person at its registered address in the United Kingdom or (if it has no registered address within the United Kingdom) to the address (if any) supplied by it for the giving of notice to it.

23.2 Service of Notices

Any notice, request, demand or other document given or made by delivery shall be deemed to have been delivered or received when left at the appropriate address referred to in Clause **23.1** above, or if sent by post, on the second Business Day following the day on which it was posted. In proving delivery or receipt of any notice, request, demand or other document sent by post it shall be sufficient to prove that it was properly addressed, stamped and posted (by airmail, if to another country) in the United Kingdom.

23.3 English language

23.3.1 Any notice given under or in connection with this Debenture must be in English.

23.3.2 All other documents provided under or in connection with this Debenture must be:

(a) in English; or

(b) if not in English, and if so required, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

24. Governing law

This Debenture and any non-contractual obligations arising out of or in connection with it are governed by English law.

EXECUTED AND DELIVERED AS A DEED by the Chargors and executed by the Security Trustee on the date set out at the beginning of this Debenture.

Schedule 1

The Chargors

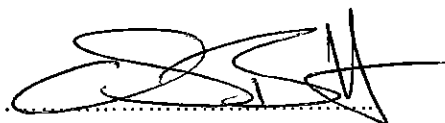
1. Solihull Moors Group Limited incorporated in England and Wales with registered number 11492033 and whose registered office is at Damson Park, Damson Parkway, Solihull, West Midlands, B91 2PP.
2. Solihull Moors Holdings CIC incorporated in England and Wales with registered number 00975879 and whose registered office is at Damson Park, Damson Parkway, Solihull, West Midlands, B91 2PP.

Schedule 2


Details of Land

All that freehold property at Damson Park, Damson Parkway, Solihull registered in the name of Solihull Moors Holdings CIC at H M Land Registry with title numbers WM390397, WM103610 and WM701269.

EXECUTED as a DEED by SOLIHULL MOORS GROUP
LIMITED acting by a director in the presence of:



Signature of director

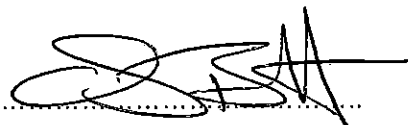
Signature of witness 

Print name E.G. PROVERBS Fieldfisher LLP

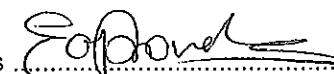
Address Aspen House
..... Central Boulevard
..... Blythe Valley Park
..... Solihull
..... B90 8AJ

Occupation Solicitor

EXECUTED as a DEED by SOLIHULL MOORS HOLDINGS CIC
acting by a director in the presence of:



Signature of director

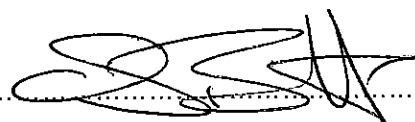
Signature of witness 

Print name E.G. PROVERBS

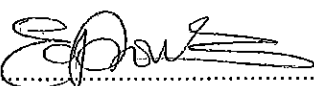
Address Fieldfisher LLP
..... Aspen House
..... Central Boulevard
..... Blythe Valley Park
..... Solihull
..... B90 8AJ

Occupation Solicitor

SIGNED as a DEED by CALVIN BARNETT in the presence of:



Signature

Signature of witness 

Print name E.G. PROVERBS

Address Fieldfisher LLP
Aspen House
Central Boulevard
Blythe Valley Park
Solihull
B90 8AJ

Occupation Solicitor