



Registration of a Charge

Company Name: **BROMPTON BICYCLE LIMITED**

Company Number: **01261512**



XBGRY78I

Received for filing in Electronic Format on the: **14/11/2022**

Details of Charge

Date of creation: **08/11/2022**

Charge code: **0126 1512 0005**

Persons entitled: **HSBC UK BANK PLC (AS SECURITY AGENT)**

Brief description: **NONE**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **WE CERTIFY THAT, SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006, THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE PART OF THE CHARGING INSTRUMENT SIGNED BY OR ON BEHALF OF THE CHARGOR AND A CORRECT COPY OF THE SIGNATURE PAGE TO EACH OTHER PART OF SUCH CHARGING INSTRUMENT INSTRUMENT.**

Certified by:

DENTONS UK AND MIDDLE EAST LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1261512

Charge code: 0126 1512 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th November 2022 and created by BROMPTON BICYCLE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th November 2022 .

Given at Companies House, Cardiff on 15th November 2022

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION



TMMM/86088209.8

Debenture

Dated 8 November 2022

Brompton Bicycle Limited
(the Chargor)

HSBC UK Bank plc
(the Security Agent)

Dentons UK and Middle East LLP
One Fleet Place
London EC4M 7WS
United Kingdom
DX 242

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Debenture

Dated 8 November 2022

Between

- (1) **Brompton Bicycle Limited**, a company incorporated in England and Wales with registered number 01261512 having its registered office at Unit 1, Greenford Park, Ockham Drive, Greenford, Middlesex, London, England, UB6 0FD (the **Chargor**); and
- (2) **HSBC UK Bank plc** of as trustee for the Secured Parties (the Security Agent) as trustee for the Secured Parties (the **Security Agent**).

Recitals

- A. The Finance Parties have agreed to make credit facilities available on the terms of the Facility Agreement.
- B. The Chargor has agreed to provide Security to the Security Agent (as trustee for the Secured Parties) to secure the payment and discharge of the Secured Liabilities.

This deed witnesses

1 Definitions and interpretation

1.1.1 Definitions

Words and expressions defined in the Facility Agreement shall have the same meanings in this Debenture unless they are expressly defined in it and, in addition, in this Debenture:

Account means a Controlled Account or a Current Account.

Account Bank means in respect of each Account, the bank or other financial institution at which that Account is held.

Act means the Law of Property Act 1925.

Assigned Agreements means the Intra-Group Loan Agreements.

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

Controlled Account means any bank account of the Chargor which is designated as a Controlled Account by the Chargor and the Security Agent before, or immediately on, the opening of that bank account.

Current Account means any account which the Chargor holds with any bank or financial institution from time to time, other than a Controlled Account.

Declared Default means an Event of Default in respect of which the Agent has taken action pursuant to clause 26.19 (*Acceleration*) of the Facility Agreement.

Derivative Contract means any master agreement, schedule, transaction, confirmation, novation or other instrument entered into by the Chargor and a counterparty from time to time in connection with protection against or benefit from fluctuation in any rate or price.

Distribution Rights means all dividends, interest and other distributions paid or payable on or in respect of any Investments or Shares and any right to receive them.

Equipment means all the Chargor's fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related Authorisations, agreements and warranties.

Excluded Rack Rent Lease means any Rack Rent Lease which includes a restriction on charging (whether conditional or absolute).

Facility Agreement means the facility agreement dated on or about the date of this Debenture between, among others, the Chargor as borrower, the Security Agent and the other Finance Parties (as defined in that agreement).

Insurance means each contract or policy of insurance to which the Chargor is a party or in which it has an interest, but excluding any third party liability or public liability insurance and any director's and officers' insurance in each case where the beneficiary is someone other than a member of the Group.

Intellectual Property means:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets (which may now or in the future subsist).

Intra-Group Loan means a loan made under an Intra-Group Loan Agreement.

Intra-Group Loan Agreement means an agreement under which the Chargor has or will make available a facility to another Group Company.

Investments means all or any stocks, shares (other than any Shares), bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations).

Land has the same meaning as it has in section 205(1) of the Act.

Rack Rent Lease means any leasehold property at a market rent which has an unexpired term of 15 years or less to run as at the date of this Deed or, if later, as at issue.

Receiver means a receiver appointed pursuant to this Debenture or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and, if the Security Agent is permitted by law to appoint an administrative receiver, includes an administrative receiver.

Regulations means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and **Regulation** means any of them.

Secured Liabilities means the liabilities of the Chargor to the Secured Parties under or pursuant to the Finance Documents, including for the avoidance of doubt, all amounts made available under Clause 2.2 (*Accordion Option*) of the Facility Agreement, except for any liabilities which, if secured by this Debenture, would result in a contravention by the Chargor of the prohibitions in Chapter 2 (*Financial assistance for purchase of own shares*) of Part 18 of the Companies Act 2006.

Security means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

Security Assets means all the Chargor's assets which are the subject of any Security created or to be created by this Debenture.

Security Period means the period starting on the date of this Debenture and ending on the date on which the Security Agent is satisfied that:

- (a) all of the Secured Liabilities are irrevocably discharged in full; and
- (b) no Finance Party has any commitment or liability to provide financial accommodation to the Chargor under the Finance Documents.

Shares means all shares held by the Chargor in its Subsidiaries.

Superfluous Insurance means any insurance which is not required in order to enable the Chargor to comply with its obligations under clause 25.21 (*Insurance*) of the Facility Agreement.

1.1.2 Interpretation

The parties to this Debenture confirm that:

- (a) nothing that is permitted under the terms of this Debenture or the Facility Agreement will constitute a breach of the provisions of the Existing Debenture; and
- (b) as a result of its entry into of this Debenture, no Obligor will be required to take any action under the Existing Debenture which it is not required to take under this Debenture or the Facility Agreement.

1.2 Construction

1.2.1 The principles of construction set out in clause 1.2 (*Construction*) of the Facility Agreement shall apply to this Debenture, insofar as they are relevant to it and subject to any necessary changes, as they apply to the Facility Agreement.

1.2.2 Unless a contrary intention appears, any reference in this Debenture to:

- (a) this **Debenture** is a reference to this Debenture as amended, varied, novated, supplemented and replaced from time to time;

- (b) the **Chargor**, the **Security Agent** or any **Secured Party** includes any one or more of its assigns, transferees and successors in title (in the case of the **Chargor**, so far as any such is permitted);
- (c) a person includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality); and
- (d) the **Security Agent** or any **Secured Party** (except for the references in Clause 16 (*Power of attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.

1.3 Third party rights

- 1.3.1 Unless expressly provided to the contrary in this Debenture, a person who is not a party to this Debenture has no 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.
- 1.3.2 The parties to this Debenture may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Debenture without the consent of any person that is not a party (without prejudice to the terms of the other Finance Documents).
- 1.3.3 Any Secured Party or any person described in Clauses 11 (*Protection of purchasers*) or Clause 12 (*Protection of the Secured Parties*) may, subject to this Clause 1.3 (*Third party rights*) and the Third Parties Act, rely on any Clause of this Debenture which expressly confers rights on it.

1.4 Effect as a deed

This Debenture shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Debenture to the extent required to ensure that any purported disposition of an interest in Land contained in this Debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2 Covenant to pay

The **Chargor** covenants with the **Security Agent** and the other **Secured Parties** that it will on demand pay and discharge the **Secured Liabilities** when they fall due.

3 Creation of Security

3.1 Land

The **Chargor** charges:

- (a) by way of legal mortgage its interest in the Land referred to in Schedule 1 (*Land charged by way of legal mortgage*); and

- (b) by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any other Land, other than an Excluded Rack Rent Lease.

3.2 Shares

The Chargor mortgages or (if or to the extent that this Debenture does not take effect as a mortgage) charges by way of fixed charge:

- (a) all its Shares, including those (if any) referred to in Schedule 2 (*Shares*); and
- (b) all related Distribution Rights,

including those held for it by any nominee.

3.3 Investments

The Chargor mortgages or (if and to the extent that this Debenture does not take effect as a mortgage) charges by way of fixed charge:

- (a) all its Investments; and
- (b) all related Distribution Rights,

including those held for it by any nominee.

3.4 Equipment

The Chargor charges by way of fixed charge all its Equipment in so far as it is not charged by way of legal mortgage under Clause 3.1 (*Land*).

3.5 Controlled Accounts

- 3.5.1 The Chargor charges by way of fixed charge all amounts standing to the credit of each Controlled Account held with the Security Agent and all of its right, title and interest in and relating to each such Controlled Account.
- 3.5.2 The Chargor assigns absolutely all amounts standing to the credit of each Controlled Account held with a person other than the Security Agent and all of its right, title and interest in and relating to each such Controlled Account.

3.6 Intellectual Property

The Chargor charges by way of fixed charge all its Intellectual Property.

3.7 Goodwill

The Chargor charges by way of fixed charge its goodwill.

3.8 Uncalled capital

The Chargor charges by way of fixed charge its uncalled capital.

3.9 Authorisations

The Chargor charges by way of fixed charge the benefit of all Authorisations it holds in relation to any Security Asset, other than such Authorisations which are not capable of being charged.

3.10 Derivative Contracts

The Chargor charges by way of fixed charge its right to receive all moneys payable under any Derivative Contract.

3.11 Assigned Agreements

3.11.1 The Chargor assigns by way of security all its rights and interests under the Assigned Agreements to which it is party.

3.11.2 Until the Security created by this Debenture becomes enforceable, but subject to Clause 7.4 (*Assigned Agreements, Derivative Contracts and Insurances*), the Chargor may continue to deal with the counterparties to the relevant Assigned Agreements.

3.12 Insurances

3.12.1 The Chargor assigns by way of security all its rights and interests under the Insurances.

3.12.2 Until the Security created by this Debenture becomes enforceable, but subject to Clause 7.4 (*Assigned Agreements, Derivative Contracts and Insurances*), the Chargor may continue to deal with the counterparties to the Insurances.

3.13 Contractual rights

The Chargor charges by way of fixed charge all its rights under all deeds and agreements to which it is a party other than:

- (a) the Assigned Agreements and Insurances which are effectively assigned by Clauses 3.11 (*Assigned Agreements*) or 3.12 (*Insurances*); and
- (b) the Derivative Contracts,

excluding any deed or agreement which is not capable of being charged or which requires the consent of the counterparty to charge, but in such cases, including all proceeds of such deeds or agreements to which the Chargor is beneficially entitled.

3.14 Other assets

3.14.1 The Chargor charges by way of floating charge all its present and future business, undertaking and assets which are not effectively mortgaged, charged by way of fixed charge or assigned under this Clause 3.

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

3.15 Trust

3.15.1 Subject to Clause 3.15.2, if or to the extent that for any reason the assignment or charging of any Security Asset is ineffective because of a prohibition on that assignment or charging, the Chargor holds it on trust for the Security Agent.

3.15.2 In relation to Land (other than a Rack Rent Lease), Insurances, Assigned Agreements, Derivative Contracts and Intellectual Property only, if either or both of the Chargor or a Finance Party is aware that the reason referred to in Clause 3.15.1 is that:

- (a) a consent or waiver must be obtained; or
- (b) a condition must be satisfied,

then:

- (i) subject to Clause 3.15.3, the Chargor shall apply for the consent or waiver; and

- (ii) the Chargor shall use reasonable endeavours to satisfy the condition,

in each case within 14 days of the date of this Debenture or the date upon which it became aware of the prohibition or, if the Security Asset is acquired after the date of this Debenture, within 14 days of the date of acquisition.

3.15.3 Where the consent or waiver is not to be unreasonably withheld, the Chargor shall:

- (a) use reasonable endeavours to obtain it as soon as possible; and
- (b) keep the Security Agent informed of the progress of the negotiations to obtain it.

3.15.4 On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be mortgaged, charged or assigned (as appropriate) under this Clause 3 and, in relation to such Security Asset, the trust referred to in Clause 3.15.1 shall terminate.

4 Nature of Security created

4.1 General

The Security created under this Debenture is created:

- (a) as a continuing security to secure the payment and discharge of the Secured Liabilities;
- (b) (except in the case of assets which are the subject of a legal mortgage under this Debenture) over all present and future assets of the kind described which are owned by the Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them;
- (c) in favour of the Security Agent as trustee for the Secured Parties; and
- (d) with full title guarantee.

4.2 Security over Derivative Contracts

The Security created under this Debenture over any Derivative Contract shall apply net of any set-off or combination of amounts owed under, and in accordance with the terms of, that Derivative Contract.

5 Conversion of floating charge

5.1 Conversion on notice

Subject to Clause 5.2 (*Limitation*), the Security Agent may by notice in writing to the Chargor at any time during the Security Period convert the floating charge created by the Chargor under this Debenture into a fixed charge in respect of any Security Asset specified in that notice if:

- (a) the Security created by this Debenture has become enforceable; or
- (b) the Security Agent reasonably believes that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

5.2 Limitation

5.2.1 Subject to Clause 5.2.2 below, Clause 5.1 (*Conversion on notice*) shall not apply solely by reason of:

- (a) the obtaining of a moratorium, or
- (b) anything done with a view to obtaining a moratorium,

under Part A1 of the Insolvency Act 1986.

5.2.2 Clause 5.2.1 above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

5.3 Automatic conversion

The floating charge created by the Chargor under this Debenture will convert automatically into fixed charges:

- (a) if the Security Agent receives notice of an intention to appoint an administrator of the Chargor;
- (b) if any steps are 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 the Chargor over all or any part of its assets, or if such person is appointed;
- (c) if the Chargor creates or attempts to create Security over all or any of the Security Assets, other than Permitted Security, without the prior written consent of the Security Agent;
- (d) on the crystallisation of any other floating charge over the Security Assets;

- (e) if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and
- (f) in any other circumstances prescribed by law.

6 Representations and warranties

6.1 General

The Chargor makes the representations and warranties listed in this Clause 6 in favour of the Security Agent.

6.2 Land

As at the date of this Debenture, it is not legal or beneficial owner of any Land which is not a Rack Rent Lease, other than the Land (if any) referred to in Schedule 1 (*Land charged by way of legal mortgage*).

6.3 Shares

As at the date of this Debenture, it is not legal or beneficial owner of any Shares in companies incorporated in England and Wales, other than the Shares (if any) referred to in Schedule 2.

7 Undertakings

The undertakings in this Clause 7 remain in force from the date of this Debenture until the expiry of the Security Period.

7.1 Land

7.1.1 The Chargor shall promptly notify the Security Agent in writing if it:

- (a) intends to acquire any estate or interest in Land other than a Rack Rent Lease; or
- (b) acquires any estate or interest in Land other than a Rack Rent Lease.

7.1.2 If the Chargor acquires any freehold or leasehold property (other than a Rack Rent Lease) after the date of this Debenture it shall:

- (a) promptly upon request by the Security Agent and at the cost of the Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that property in a form which the Security Agent may reasonably require;
- (b) if the title to that freehold or leasehold property is registered at the Land Registry or required to be so registered, apply to the Land Registry for registration of this Security; and
- (c) if applicable, ensure that the provisions of Clause 15.2 (*Application to Land Registrar*) are complied with in relation to that legal mortgage.

7.1.3 If the consent of the landlord in whom the reversion of a lease is vested is required for the Chargor to execute a legal mortgage over it, the Chargor shall:

- (a) not be required to perform that obligation unless and until it has obtained the landlord's consent; and
- (b) use its reasonable endeavours to obtain the landlord's consent.

7.2 Accounts

- 7.2.1 If the Chargor opens or otherwise acquires any Controlled Account after the date of this Debenture, it shall promptly notify the Security Agent.
- 7.2.2 After executing this Debenture (or in the case of any Account opened after the date of this Debenture, after the date on which that Account is opened), the Chargor shall at the request of the Security Agent:
 - (a) in respect of each of its Controlled Accounts (if any), promptly give notice to the Account Bank in the form set out in Part 2 of Schedule 6 (*Forms of letter to and from Account Bank*) and deliver to the Security Agent a certified copy of that notice; and
 - (b) in respect of each of its Current Accounts (if any) for which the Account Bank is not the Security Agent, promptly give notice to the Account Bank in the form set out in Part 2 of Schedule 6 (*Forms of letter to and from Account Bank*) and deliver to the Security Agent a certified copy of that notice; and
 - (c) use reasonable endeavours to ensure that the Account Bank acknowledges each notice served on it pursuant to paragraphs (a) and (b) above in the form set out in Part 3 of Schedule 6 (*Forms of Letter to and from Account Bank*) or other form approved by the Security Agent.
- 7.2.3 Subject to the Facility Agreement, the Chargor may not receive, withdraw or transfer any credit balance from a Controlled Account.
- 7.2.4 Subject to the Facility Agreement, the Chargor may receive, withdraw or transfer any credit balance from any Current Account unless the Security Agent notifies it to the contrary at any time.
- 7.2.5 In addition to any rights of the Agent or the Security Agent under the Facility Agreement, at any time after the Security constituted by this Debenture has become enforceable, the Security Agent may:
 - (a) apply any amount standing to the credit of any Current Account or any amount it receives in respect of any such Account towards any amounts due and payable under the Finance Documents; and
 - (b) may notify the Account Bank at which any Current Account is held that the Chargor's rights (or any of them) under Clause 7.2.3 cease to apply.

7.3 Shares and Investments

- 7.3.1 The Chargor shall (in the case of the Shares specified in Schedule 2 (*Shares*) and its Investments as at the date of this Debenture) promptly after entering into this Debenture (and in any event within 10 Business Days of such date) or (in the case of any other Shares and Investments) within 10 Business Days following a request by the Security Agent, deposit with the Security Agent, in respect of or in connection with its Shares and Investments:

- (a) all stock and share certificates and documents of or evidencing title;
- (b) signed undated stock transfer forms, completed in blank; and
- (c) any other documents which the Security Agent may from time to time reasonably require for perfecting its title, or the title of any purchaser,

all of which will be held by the Security Agent at the expense and risk of the Chargor.

7.3.2 The Chargor shall:

- (a) promptly copy to the Security Agent, and comply with, all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of its Shares and Investments; and
- (b) comply with all other conditions and obligations assumed by it in respect of any of the Shares and Investments where failure to so comply would adversely affect the interests of the Secured Parties.

7.4 Assigned Agreements, Derivative Contracts and Insurances

7.4.1 The Chargor shall:

- (a) promptly after the execution of this Debenture, or (as the case may be) promptly upon request by the Security Agent, after the execution of any Assigned Agreement, Derivative Contract or Insurance entered into after the date of this Debenture, give notice to the other parties to the Assigned Agreements, Derivative Contracts and Insurances:
 - (i) in the case of Assigned Agreements substantially in the form set out in Schedule 3 (*Form of notice for Assigned Agreements*); and
 - (ii) in the case of Insurances, substantially in the form set out in Schedule 4 (*Form of notice for Insurances*); and
 - (iii) in the case of Derivative Contracts, substantially in the form set out in Schedule 5 (*Form of notice for Derivative Contracts*),
 and deliver to the Security Agent a copy of each notice; and
- (b) use reasonable endeavours to procure that each party served with a notice under paragraph (a) above countersigns and returns it to the Security Agent as soon as reasonably practicable following the date of this Debenture or as soon as reasonably practicable following a request by the Security Agent.

7.4.2 The Chargor shall comply with the obligations of the Facility Agreement regarding insurance held and maintained by the Group.

7.4.3 The Chargor shall not, without the prior written consent of the Security Agent:

- (a) make or agree to make any amendments to;
- (b) waive any of its rights under; or

(c) except in the case of Superfluous Insurance, exercise any right to terminate, any of the Insurances.

- 7.4.4 Subject to the terms of the Facility Agreement (including any obligations in it relating to the application of proceeds), until the Security created by this Debenture becomes enforceable, the Chargor may exercise all its rights in respect of the Assigned Agreements, the Derivative Contracts and the Insurances (in each case to which it is a party) including receiving and exercising all rights relating to proceeds of those Assigned Agreements Derivative Contracts and Insurances.

7.5 Disposals

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not), whether voluntary or involuntary and whether at the same time or over a period of time, to sell, lease, transfer, loan, nor otherwise dispose of any Security Asset, nor enter into an agreement to make any such disposal other than a Permitted Disposal.

7.6 Negative pledge

The Chargor shall not create or permit to subsist any Security over any Security Asset except for Permitted Security or any Security to which the Security Agent has given its prior written consent.

8 Voting and other rights

8.1 Before demand by the Security Agent

Until such time as the Security Agent makes a demand under Clause 8.2, the Chargor may exercise any of its voting and other rights and powers attached to the Shares and Investments but shall not do so in a manner which is reasonably likely to:

- (a) have the effect of changing the terms of issue of any of the Shares or Investments (or any class of them) or any of the Distribution Rights relating to them;
- (b) impair the value of any of the Shares or Investments;
- (c) prejudice the security created by this Debenture; or
- (d) otherwise prejudice the interests of the Secured Parties under the Finance Documents.

8.2 After demand by the Security Agent

- (a) If the Security Agent so demands at any time after the Security created under this Debenture has become enforceable and subject to paragraph (b) below, the Chargor shall:
 - (i) promptly pay over to the Security Agent all moneys arising from the Distribution Rights relating to the Shares and Investments which it may receive; and
 - (ii) exercise all voting and other rights and powers attached to the Shares and Investments in any manner which the Security Agent may direct.

- (b) The Security Agent shall not be entitled to demand any voting or other rights under paragraph (a) above if and to the extent that:
 - (i) a notifiable acquisition would take place under section 6 of the National Security and Investment Act 2021 (the **NSI Act**) and any regulations made under the NSI Act as a consequence of making that demand or exercising those rights; and
 - (ii) either:
 - (A) the Secretary of State has not approved that notifiable acquisition in accordance with the NSI Act; or
 - (B) the Secretary of State has approved that notifiable acquisition in accordance with the NSI Act but there would, as a consequence, be a breach of the provisions of a final order made in relation to that notifiable acquisition under the NSI Act.

8.3 Completion of transfers

At any time after the Security created under this Debenture has become enforceable, the Security Agent may, without notice to the Chargor:

- (a) complete and date any of the stock transfer forms and other documents referred to in paragraphs (b) and (c) of Clause 7.3.1; and
- (b) transfer all or any of the Shares or Investments to itself.

9 Enforcement

9.1 When Security becomes enforceable

The Security created by the Chargor under this Debenture shall become enforceable on the occurrence of a Declared Default for so long as it is continuing (unless there has been a request from the Chargor to the Security Agent to appoint a Receiver, in which case it will be enforceable at any time following the making of such request).

9.2 Powers on enforcement

9.2.1 At any time after the Security created by the Chargor under this Debenture has become enforceable, the Security Agent may (without prejudice to any other of its rights and remedies and without notice to the Chargor) do all or any of the following:

- (a) sell or otherwise dispose of the Security Assets, and exercise all the other powers and rights conferred on mortgagees by the Act, as varied and extended by this Debenture, without the restrictions contained in sections 103 or 109(1) of the Act;
- (b) 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 Security Asset, without the restrictions imposed by sections 99 and 100 of the Act;
- (c) to the extent that any Security Asset constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;

- (d) subject to Clause 10.1.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets; and
- (e) appoint an administrator of the Chargor.

9.2.2 The value of any Financial Collateral appropriated pursuant to paragraph (c) of Clause 9.2.1 shall be:

- (a) in the case of cash, its face value at the time of appropriation; and
- (b) in the case of financial instruments or other Financial Collateral, their market price at the time of appropriation as determined by the Security Agent (or an agent, Delegate, attorney or Receiver appointed by it) by reference to a public index or by such other process as the Security Agent (or an agent, Delegate, attorney or Receiver appointed by it) may select, including independent valuation.

In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

9.3 Disposal of the Security Assets

In exercising the powers referred to in paragraph (a) of Clause 9.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

9.4 Application of moneys

9.4.1 The Security Agent shall, subject to any claims ranking in priority as a matter of law, apply any moneys received or recovered by it pursuant to this Debenture in accordance with the Facility Agreement.

9.4.2 Any Receiver shall apply any moneys received or recovered by it pursuant to this Debenture:

- (a) first, in or towards the pro rata payment of or provision for any sums owing to the Security Agent, any Receiver or any Delegate; and
- (b) secondly, to the Security Agent for application in accordance with Clause 9.4.1, and section 109(8) of the Act shall not apply.

9.4.3 Clauses 9.4.1 and 9.4.2 will override any appropriation made by the Chargor.

10 Appointment and powers of Receivers

10.1 Method of appointment and removal

10.1.1 The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

- 10.1.2 Every appointment or removal of a Receiver, of any delegate or of any other person by the Security Agent pursuant to this Debenture may be made in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the removal of an administrative receiver).

10.2 Powers of Receiver

Every Receiver shall have all the powers:

- (a) of the Security Agent under this Debenture;
- (b) conferred by the Act on mortgagees in possession and on receivers appointed under the Act;
- (c) which are specified in Schedule 1 of the Insolvency Act 1986 in relation to, and to the extent applicable to, the Security Assets or any of them (whether or not the Receiver is an administrative receiver within the meaning of that Act); and
- (d) in relation to any Security Asset, which he would have if he were its only absolute owner.

10.3 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Debenture.

10.4 Receiver as agent

Every Receiver shall be, as far as the law permits, the agent of the Chargor which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

10.5 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent, and the maximum rate specified in section 109(6) of the Act shall not apply.

11 Protection of purchasers

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound or concerned:

- (a) to see or enquire whether the right of the Security Agent or any Receiver to exercise any of the powers conferred by this Debenture has arisen or not;
- (b) with the propriety of the exercise or purported exercise of those powers; or
- (c) with the application of any moneys paid to the Security Agent, to any Receiver or to any other person.

12 Protection of the Secured Parties

12.1 Exclusion of liability

None of the Security Agent, the Secured Parties or any of their respective officers or employees shall have any responsibility or liability:

- (a) for any action taken, or any failure to take any action, in relation to all or any of the Security Assets;
- (b) to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- (c) for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies under Clause 17 (*Currency*); or
- (d) for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of the Chargor);
- (e) for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

13 Preservation of Security

13.1 Reinstatement

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

- (a) the liabilities of the Chargor and the Security created by the Chargor under this Debenture shall continue in effect as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Secured Parties shall be entitled to recover the value or amount of that Security or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

13.2 Appropriations

During the Security Period each Secured Party may:

- (a) refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 9.4 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Secured Liabilities.

13.3 Additional Security

This Debenture is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to any Secured Party.

13.4 New accounts

If any Secured Party receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Security Assets it may open a new account or accounts with the Borrower and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by the Borrower to that Secured Party:

- (a) shall be credited or be treated as having been credited to the new account of the Borrower; and
- (b) shall not operate to reduce the Secured Liabilities at the time when the Secured Party received or was deemed to have received such notice.

14 Tacking

For the purposes of section 94(1) of the Act and section 49(3) of the Land Registration Act 2002 the Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Borrower on the terms and subject to the conditions of the Finance Documents.

15 Further assurance

15.1 Registration at Companies House

The Chargor consents to the registration of the Security created under this Debenture at Companies House pursuant to Part 25 of the Companies Act 2006.

15.2 Application to Land Registrar

The Chargor consents to the registration against the registered titles in Schedule 1 (*Land charged by way of legal mortgage*) of:

- (a) 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 _____ in favour of HSBC UK Bank plc referred to in the charges register or their conveyancer. (Form P)"; and
- (b) a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

15.3 Further action

The Chargor shall, at its own expense, promptly take any action and sign or execute any further documents which the Security Agent may require in order to:

- (a) give effect to the requirements of this Debenture;
- (b) protect, preserve and perfect the Security intended to be created by or pursuant to this Debenture;
- (c) protect and preserve the ranking of the Security intended to be created by or pursuant to this Debenture with any other Security over any assets of the Chargor; or
- (d) facilitate the realisation of all or any of the Security Assets or the exercise of any rights, powers and discretions conferred on the Security Agent, any Receiver or any administrator in connection with all or any of the Security Assets, in each case in accordance with the terms of this Debenture,

and any such document may disapply section 93 of the Act.

15.4 Law of Property (Miscellaneous Provisions) Act 1994

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause 15.

16 Power of attorney

The Chargor irrevocably and by way of security appoints each of:

- (a) the Security Agent; and
- (b) any Receiver,

jointly and severally as its attorney, in its name, on its behalf and in such manner as the attorney may in its or his discretion think necessary in the exercise of its rights and powers under this debenture, at any time after the Security created by this Debenture has become enforceable or following the failure by the Chargor to comply with a request from the Security Agent to take any action and sign or execute any further documents which the Chargor is required to take, sign or execute in accordance with the terms of this Debenture. The Chargor agrees, promptly on the request of the Security Agent or any Receiver, to ratify and confirm all such actions taken and documents signed or executed.

17 Currency

17.1 The Spot Rate

In this Clause 17, the **Spot Rate** means, in relation to the Security Agent or any other Finance Party, the spot rate of exchange of that Finance Party for the purchase of any currency that the Security Agent considers necessary to cover the obligations and liabilities comprised in the Secured Liabilities with any other currency in the London foreign exchange market.

17.2 Conversion of moneys received

The Security Agent or any other Finance Party may convert any moneys received, recovered or realised in any currency under this Debenture (including the proceeds of any previous conversion under this Clause 17.2) from their existing currency into any other currency that the Security Agent considers necessary to cover the obligation and liabilities comprised in the Secured Liabilities, by purchasing that other currency at the Spot Rate.

18 Discharge of Security

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, the Security Agent shall, unless any third party has any subrogation or other rights in respect of the Security created by this Debenture at that time, or shall procure that its appointees will, at the request and cost of the Chargor:

- (a) release the Security Assets from this Debenture; and
- (b) re-assign to the Chargor those Security Assets that have been assigned to the Security Agent under Clause 3 (*Creation of Security*).

Section 93 of the Act shall not apply to this Debenture.

19 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.

20 Governing law and enforcement

20.1 Governing law

English law governs this Debenture, its interpretation and any non-contractual obligations arising from or connected with it.

20.2 Jurisdiction

20.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a **Dispute**).

20.2.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

Executed as a deed and delivered on the date appearing at the beginning of this Debenture.

Schedule 1 – Land charged by way of legal mortgage

Part 1– Registered Land

Description and address	Title number
None as at the date of this Deed	N/A

Part 2– Unregistered Land

None as at the date of this Deed.

Schedule 2 – Shares

Subsidiary	Number and class of shares	Details of nominees (if any) holding legal title to shares
Brompton Bike Hire Limited	239,886,750 Ordinary Shares of £0.01 each	N/A
Brompton Fletcher Limited	10,000 Ordinary Shares of £0.01 each	N/A

Schedule 3 – Form of notice for Assigned Agreements

[On Chargor's notepaper.]

To: ** *[insert name and address of counterparty]*

Attention: **

Date: **

Dear Sirs

Notice of assignment

- 1 We refer to the ** *[specify the relevant Assigned Agreement]* dated **
between us and you (the **Agreement**)

- 2 We notify you that:
 - (a) under a debenture dated ** between us and ** *[insert name of Security Agent]* (the **Security Agent**) we have assigned to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the **Secured Parties**) all our right, title and interest in and to, and all benefits accruing under, the Agreement as security for certain obligations owed to the Secured Parties;
 - (b) we may not agree to amend or terminate the Agreement without the prior written consent of the Security Agent;
 - (c) until you receive written notice from the Security Agent that its security is enforceable, you may continue to deal with us in relation to the Agreement and credit all moneys to which we are entitled under the Agreement to the following account in our name: **
[insert details of account]. After receipt of such written notice from the Security Agent we will cease to have any right to deal with you in relation to the Agreement and from that time you should deal only with the Security Agent; and
 - (d) you are authorised to disclose information relating to the Agreement to the Security Agent on request.

- 3 We request that you:
 - (a) after receipt of written notice in accordance with paragraph 2(c), ensure that all moneys to which we are entitled under the Agreement are credited to the account of the Security Agent specified in that notice (and are not paid to us);
 - (b) give the Security Agent written notice of any breach of the Agreement as soon as you become aware of it; and
 - (c) give the Security Agent not less than 30 days' written notice of your giving notice to terminate the Agreement.

EXECUTION VERSION

4 Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm that you:

- (a) agree to the terms of this notice and to act in accordance with its provisions;
- (b) have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party; and
- (c) have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Agreement.

5 The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

[insert name of Chargor]

Copy to: Security Agent

[On acknowledgement copy]

To: **[insert name and address of Security Agent]**

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....

for and on behalf of

[insert name of counterparty]

Date: **

Schedule 4 – Form of notice for Insurances

[On Chargor's notepaper.]

To: ** *[insert name and address of insurance company]*

Attention: **

Date: **

Dear Sirs

Notice of assignment

- 1 We refer to the ** *[specify the relevant insurance policy]* dated **
between us and you (the **Policy**)

- 2 We notify you that:
 - (a) under a debenture dated ** between us and ** *[insert name of Security Agent]* (the **Security Agent**) we have assigned to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the **Secured Parties**) all our right, title and interest in and to, and all benefits accruing under, the Policy as security for certain obligations owed to the Secured Parties;

 - (b) we may not agree to amend or terminate the Policy without the prior written consent of the Security Agent;

 - (c) until you receive written notice from the Security Agent that its security is enforceable, you may continue to deal with us in relation to the Policy and credit all moneys to which we are entitled under the Policy to the following account in our name: **
[insert details of account]. After receipt of such written notice from the Security Agent we will cease to have any right to deal with you in relation to the Policy and from that time you should deal only with the Security Agent; and

 - (d) you are authorised to disclose information relating to the Policy to the Security Agent on request.

- 3 We request that you:
 - (a) after receipt of written notice in accordance with paragraph 2(c), ensure that all moneys to which we are entitled under the Policy are credited to the account of the Security Agent specified in that notice (and are not paid to us); and

 - (b) note on the Policy the Security Agent's security interest under the Debenture.

- 4 Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm that you:
 - (a) agree to the terms of this notice and to act in accordance with its provisions;

EXECUTION VERSION

- (b) have not received notice that we have assigned our rights under the Policy to a third party or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party; and
- (c) have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Policy.

5 The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

[insert name of Chargor]

Copy to: Security Agent

[On acknowledgement copy]

To: **[insert name and address of Security Agent]**

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....

for and on behalf of

[insert name of insurance company]

Date: **

Schedule 5 – Form of notice for Derivative Contracts

[On Chargor's notepaper.]

To: ** *[insert name and address of counterparty]*

Attention: **

Date: **

Dear Sirs

Notice of charge

- 1 We refer to the ** *[specify the relevant Derivative Contract]* dated **
between us and you (the **Agreement**)

- 2 We notify you that:
 - (a) under a debenture dated ** between us and ** *[insert name of Security Agent]* (the **Security Agent**) we have granted to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the **Secured Parties**) a fixed charge over our right to receive all moneys payable under the Agreement as security for certain obligations owed to the Secured Parties;
 - (b) we may not agree to amend or terminate the Agreement without the prior written consent of the Security Agent; and
 - (c) you are authorised to disclose information relating to the Agreement to the Security Agent on request.

- 3 We request that you:
 - (a) ensure that all moneys payable to us under the Agreement are credited to an account nominated by the Security Agent (and are not paid to us); and
 - (b) give the Security Agent written notice of any breach of the Agreement as soon as you become aware of it.

- 4 Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm that you:
 - (a) agree to the terms of this notice and to act in accordance with its provisions; and
 - (b) have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party.

- 5 The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

[insert name of Chargor]

Copy to: Security Agent

[On acknowledgement copy]

To: **[insert name and address of Security Agent]**

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....

for and on behalf of

[insert name of counterparty]

Date: **

Schedule 6 – Forms of letter to and from the Account Bank

Part 1 – Notice to Account Bank regarding the Controlled Account(s)

[On Chargor's notepaper.]

To: ** [insert name and address of Account Bank]

Date: **

Dear Sirs

Debenture dated [] between Brompton Bicycle Limited and HSBC UK Bank plc
[Security Agent] (the Debenture)**

We refer to the account which we hold with you numbered **, sort code **, as it may from time to time be re-designated or re-numbered (the **Controlled Account**).

We are writing to give you notice of certain rights in respect of the Controlled Account that we have granted to ** [Security Agent] in its capacities (as applicable) as agent and security trustee for certain banks and financial institutions (the **Bank**).

Under the Debenture we have [charged by way of fixed charge in favour of][assigned absolutely to] the Bank all amounts standing to the credit of the Controlled Account from time to time (the **Deposit**) and all of our right, title and interest in, and relating to, the Controlled Account.

["....we have [charged by way of fixed charge in favour of][assigned absolutely to] the Security Agent...." Delete whichever square bracketed option is inappropriate (see Clause 3.5 (Controlled Accounts) and remove the square brackets from the option which is appropriate.]

Regardless of any previous authorisations or instructions which we may have given you and without making any enquiry as to the justification for the matter, we irrevocably authorise and instruct you:

- (a) to disclose to the Bank any information relating to us, the Controlled Account and the Deposit which the Bank may from time to time request you to disclose to it;
- (b) to hold the Deposit to the order of the Bank, and not permit the whole or any part of the Deposit to be withdrawn by us;
- (c) to pay or release all or any part of the Deposit, and generally to act in relation to the Deposit, only in accordance with the written instructions of the Bank;
- (d) to comply with the terms of any written notice or instructions in any way relating to or purporting to relate to the Controlled Account or the Deposit which you may receive from the Bank; and
- (e) not, without the prior written consent of the Bank, to renew or roll over the Deposit for a fixed period exceeding [three][six] months].

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The instructions and authorisations contained in this letter may not be revoked or varied without the written agreement of the Bank.

This letter is governed by English law.

Please confirm your agreement to the above by sending an acknowledgement to the Bank in the form attached, with a copy to ourselves.

Yours faithfully,

.....

for and on behalf of Brompton Bicycle Limited

copy: HSBC UK Bank plc

Part 2 – Notice to Account Bank regarding the Current Accounts

[On Chargor's notepaper.]

To: ** *[insert name and address of Account Bank]*

Date: **

Dear Sirs

Debenture dated [] between Brompton Bicycle Limited and HSBC UK Bank plc
(the Debenture)**

- 1 We refer to the follows accounts we hold with you, as they may from time to time be re-designated or re-numbered:
 - (a) *[insert Account Number/Sort Code for each Current Account held by the Chargor];*
 - (b) **

(the **Current Accounts**).
- 2 We are writing to give you notice of certain rights in respect of the Current Accounts that we have granted to HSBC UK Bank plc in its capacities (as applicable) as agent and security trustee for certain banks and financial institutions (the **Bank**).
- 3 Under the Debenture we have charged by way of floating charge to the Bank all amounts standing to the credit of each Current Account from time to time (each a **Deposit** and together the **Deposits**) and all of our right, title and interest in, and relating to, each Current Account.
- 4 We notify you that:
 - (a) after you have received notice from the Bank under paragraph 6 below, we may not withdraw any moneys from any Current Account without first obtaining the prior written consent of the Bank;
 - (b) there is a prohibition in the Debenture on the creation of any further security interest over any Current Account; and
 - (c) you are authorised to disclose information relating to the Current Accounts to the Bank on the request of the Bank.
- 5 After you have received notice from the Bank under paragraph 6 below, we irrevocably authorise and instruct you to:
 - (a) hold all moneys from time to time standing to the credit of each Current Account to the order of the Bank; and
 - (b) pay all or any part of those moneys to the Bank (or as it may direct) promptly following receipt of written instructions from the Bank to that effect.

6 By counter-signing this notice the Bank confirms that you may accept instructions from us to make withdrawals from each Current Account (without prejudice to any restrictions on our right to make such withdrawals under the Facility Agreement referred to in the Debenture) until such time as the Bank shall notify you (with a copy to us) in writing that its security is enforceable.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Bank.

This letter is governed by English law.

Please confirm your agreement to the above by sending an acknowledgement to the Bank in the form attached, with a copy to ourselves.

Yours faithfully,

.....

Brompton Bicycle Limited

.....

HSBC UK Bank plc

Part 3 – Form of acknowledgements from Account Bank

[On Account Bank's notepaper]

[When preparing the form of acknowledgement letter to attach to a notice, delete/amend the references to "[Controlled Account]"[Current Accounts]" below as appropriate depending on the Account(s) to which the notice refers. Delete this note and any other square bracketed notes in italics below before the form of acknowledgement is sent to the Account Bank.]

To: HSBC UK Bank plc *[insert name and address of Security Agent]*

Attention: **

Date: **

Dear Sirs

Debenture dated [] between Brompon Bicycle Limited and HSBC UK Bank plc (the Debenture)**

We acknowledge receipt of a notice (the **Notice**) from Brompton Bicycle Limited dated ** of the security granted by the Chargor to the Bank over the [Controlled Account] [Current Account] under the Debenture.

Words defined in the Notice have the same meaning in this letter.

We confirm that:

- (a) we acknowledge receipt of the Notice and accept the authorisations and instructions contained in the Notice and we undertake to comply with its terms;
- (b) we have not received notice of:
 - (i) any other assignment of or encumbrance over the [Controlled Account][Current Accounts] or [the][any] Deposit; or
 - (ii) any interest, claim or right in or to them by any third party,

and we shall promptly give you notice of any such actual, potential or asserted assignment, encumbrance, interest, claim or right of which we become aware; and

- (c) we do not, and will not, hold or otherwise have the benefit of any security interest or other encumbrance over the [Controlled Account] or [the][any] Deposit[other than in our capacity as Security Agent for the Secured Parties referred to in the Debenture]; and
- (d) we will not exercise any right of combination, consolidation, merger or set-off which we may have in respect of the [Controlled Account] except for the netting of credit and debit balances pursuant to current account netting arrangements expressly permitted under the Finance Documents (as that term applies in the Debenture) or if:
 - (i) at the time of exercising that right, we are a Secured Party (as that term applies in the Debenture);

EXECUTION VERSION

- (ii) we exercise that right in respect of an obligation which purports to be secured under the Debenture; and
- (iii) we exercise that right pursuant to, or in accordance with, the terms of the Finance Documents (as that term applies in the Debenture).

We are aware that you are relying on this letter in connection with your rights under the Debenture.

This letter is governed by English law.

Yours faithfully,

.....
for and on behalf of ** [Account Bank]

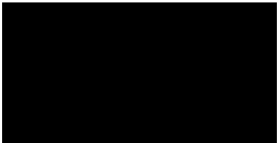
copy: Brompton Bicycle Limited

Signatories to Debenture

Executed as a deed by)
Brompton Bicycle Limited)
acting by two directors or one director and a)
company secretary)

Director / Company Secretary

Signed for and on behalf of)
HSBC UK Bank plc (*Security Agent*))



Scott Syme

Signatories to Debenture

Executed as a deed by)
Brompton Bicycle Limited)
acting by two directors or one director and a)
company secretary)



Lorne Vary

Director / Company Secretary



John Egan

Signed for and on behalf of)
HSBC UK Bank plc (*Security Agent*))