Companies House

MR01(ef)

Registration of a Charge

Company name: **GEORGE BIRCHALL LIMITED**

Company number: **01476901**

Received for Electronic Filing: **16/05/2018**

X761SK7S

Details of Charge

Date of creation: **08/05/2018**

Charge code: **0147 6901 0006**

Persons entitled: **BIBBY FINANCIAL SERVICES LIMITED (AS SECURITY TRUSTEE)**

Brief description: **BY WAY OF FIRST LEGAL MORTGAGE, ALL LAND (AD DEFINED BELOW) BELONGING TO THE COMPANY AT THE DATE OF THE DEBENTURE INCLUDING WITHOUT LIMITATION THAT DESCRIBED IN PART 1 OF SCHEDULE 2 TO THE DEBENTURE (A COPY OF WHICH SCHEDULE IS ATTACHED TO THIS FORM MR01). IN THE DEBENTURE "LAND" MEANS ALL ESTATES AND OTHER INTERESTS IN FREEHOLD, LEASEHOLD OR OTHER IMMOVABLE PROPERTY (WHEREVER SITUATED) OR IN WHICH THE COMPANY HAS AN INTEREST AND:- (I) ALL BUILDINGS AND FIXTURES (INCLUDING TRADE FIXTURES BUT NOT INCLUDING TENANT'S FIXTURES) AND FIXED PLANT AND MACHINERY AT ANY TIME THEREON; (II) ALL EASEMENTS, RIGHTS AND AGREEMENTS IN RESPECT OF SUCH PROPERTY; (III) ALL PROCEEDS OF SALE OF SUCH PROPERTY; AND (IV) THE BENEFIT OF ALL COVENANTS GIVEN IN RESPECT OF SUCH PROPERTY.**

Contains fixed charge(s).

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

Contains negative pledge.

Chargor acting as a bare trustee for the property.

Authentication of Form

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

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: **MARTIN HAYMES**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1476901

Charge code: 0147 6901 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th May 2018 and created by GEORGE BIRCHALL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th May 2018 .

Given at Companies House, Cardiff on 18th May 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

DATED 8TH MAY **2018**

(1) GEORGE BIRCHALL LIMITED
(as Chargor)

TRUE & CERTIFIED COPY
DATE: 8/5/18
SIGNED:
Bibby Factors Limited

- and -

(2) BIBBY FINANCIAL SERVICES LIMITED
(as Security Trustee)

DEBENTURE

To: HM Chief Land Registrar. Note: This Debenture contains (1) an application to enter a restriction in the Proprietorship Register and (2) an application to enter a notice of this Debenture in the Register (both in clause 34.1). This Debenture is entered into for securing further advances (clause 35).

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ICB
Initials of chargor signatory

KP
Initials of Bibby Attorney signatory

THIS DEBENTURE is made on 8TH MAY 2018

BY

(1) **GEORGE BIRCHALL LIMITED**, a Company in England and Wales with registered number 01476901 with its registered office at Environment House, Turner Crescent, Loomer Road, Chesterton Newcastle-Under-Lyme, Staffordshire, ST5 7JZ (**"Chargor"**);

IN FAVOUR OF

(2) **BIBBY FINANCIAL SERVICES LIMITED** (registered number 03530461) whose registered office is at 105 Duke Street, Liverpool L1 5JQ (as security trustee for the Security Beneficiaries (as defined below)) on the terms set out in the Security Trust Deed (as defined below) (in such capacity, **"Security Trustee"**).

BACKGROUND

From time to time each of the Bibby Companies (as defined below) makes factoring, invoice discounting, trade finance, asset finance, conditional sale, term, on demand credit and other facilities (**"Facilities"** and each a **"Facility"**) (or any of them) available, either to the Chargor, or to another person and the Chargor has guaranteed the obligations of that other person. The Chargor has agreed to grant security in respect of its obligations to any of the Security Beneficiaries (as defined below) to the Security Trustee who will hold it on trust for the Security Beneficiaries (as defined below) securing the obligations of the Chargor to any Security Beneficiaries at any time.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed words defined in the parties clauses and under "Background" shall have those meanings and in addition:

"Account Bank" means Barclays Bank PLC or such other bank with which any Security Account is maintained from time to time;

"Act" means the Law of Property Act 1925;

"Assigned Assets" means the Security Assets expressed to be assigned by way of security pursuant to clause 4.2 (*Security assignments*);

"Bibby Asset Companies" means those Bibby Companies identified as such in schedule 1 (*The Bibby Companies*) or the accession deed by which they became a party to this Deed to which Secured Obligations are owed by the relevant Chargor at the relevant time;

"Bibby Companies" means the parties (other than the Security Trustee) to the Security Trust Deed from time to time being, at the date of this Deed, those listed in schedule 1 (*The Bibby Companies*);

"Bibby Debt Companies" means those Bibby Companies identified as such in schedule 1 (*The Bibby Companies*) or the Accession Deed by which they became a party to this Deed to which Secured Obligations are owed by the relevant Chargor at the relevant time;

"Book Debts" means all present and future book debts of the Chargor (including any VAT thereon) save for any Non-Vesting Debts and/or Subsequent NV Debts;

"Charged Investments" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;

"Charged Securities" means:

(i) the shares specified in part 3 *(Charged Securities)* of schedule 2 (*Details of Security Assets*); and

(ii) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or *"investments"* (as defined in part II of schedule II to the Financial Services and Markets Act 2000 in force at the date of this Deed) now or in the future owned (legally or beneficially) by the Chargor or in which the Chargor has an interest at any time;

"Debts" shall have the meaning given to it in the Receivables Financing Agreement;

"Default Rate" means the higher of five per cent (5%) per annum above the base rate for the time being of Barclays Bank PLC and the discount charge interest rate or other rate which the Bibby Companies would otherwise charge on the Secured Obligations which gave rise to the amount payable hereunder or, in either case, such lower rate as the Security Trustee may specify at any time;

"Enforcement Date" means the first date on which the Security Trustee exercises any of its power under clause 15.2 (*Powers of the Security Trustee*);

"Equipment" means the assets, equipment and chattels specified in part 2 (*Chattels*) of schedule 2 (*Details of Security Assets*) including, as the context admits, the whole or any part or parts thereof and all additions, alterations, accessories, replacements and renewals of component parts thereto;

"Finance Documents" means the Security Trust Deed, each Security Document and each document including this Deed to which the Chargor and a Security Beneficiary are party at any time or pursuant to which assets are purchased by or assigned to a Security Beneficiary or pursuant to which any Facility is made available;

"**Guarantee**" means each document pursuant to which any person purports to guarantee, grant an indemnity in respect of, or stand as surety for any Secured Obligations;

"**Guarantor**" means each person who grants a Guarantee at any time;

"**Insurances**" means all policies of insurance (including, for the avoidance of doubt, all cover notes and those specified in part 4 (*Insurances*) of schedule 2 (*Details of Security Assets*)) which are at any time held by or written in favour of the Chargor or in which the Chargor from time to time has an interest;

"**Intellectual Property**" means all present or future legal and/or equitable interests of the Chargor (including, without limitation, the benefit of all licences in any part of the world) in or relating to registered and unregistered trade marks and service marks, patents, registered designs, utility models, applications for any of the foregoing, trade names, copyrights, design rights, unregistered designs, inventions, confidential information, know-how, registrable business names, database rights, domain names and any other rights of every kind deriving from or through the exploitation of any of the aforementioned rights of the Chargor;

"**Non-Vesting Debts**" means all Debts (the subject of a Receivables Financing Agreement entered into on or before the date hereof) both present and future intended to but which do not for any reason vest absolutely and effectively in the relevant Bibby Debt Company from time to time;

"**NV Related Rights**" shall have the meaning given to Related Rights in the Receivables Financing Agreement (or in the absence of such defined term, a defined term analogous thereto);

"**NV Take-on Debts**" means all Debts (the subject of a Receivables Financing Agreement entered into after the date hereof) which were in existence at the date that the Receivables Financing Agreement was entered into and which are intended to but which do not for any reason vest absolutely and effectively in the relevant Bibby Debt Company, from time to time;

"**Obligors**" means the Guarantors from time to time and the Chargor;

"**Payment Obligations**" means all present and future debts (other than Book Debts) and monetary claims and all other amounts (whether ascertained or not) recoverable or receivable by the Chargor or due or owing to the Chargor;

"**Permitted Disposal**" means any sale, transfer, lease, loan or other disposal at arm's length for full market value in the ordinary course of trading of any Security Asset not listed in clause 4.1 (*Fixed charges*) or 4.2 (*Security assignments*) and in respect of which the floating charge has not crystallised;

"**Permitted Security Interest**" means any Security Interest to which the Relevant Security Beneficiary (or, if there is more than one, each Relevant Security Beneficiary) has given its prior written consent;

"Planning Acts" means (1) the Town and Country Planning Act 1990, (2) the Planning (Listed Buildings and Conservation Areas) Act 1990, (3) the Planning (Hazardous Substances) Act 1990, (4) the Planning (Consequential Provisions) Act 1990, (5) the Planning and Compensation Act 1991, (6) any regulations made pursuant to any of the foregoing and (7) any other legislation of a similar nature;

"Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in the future belonging to the Chargor or in which the Chargor has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 (*Property*) of schedule 2 (*Details of Security Assets*)) and:

(i) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;

(ii) all easements, rights and agreements in respect thereof;

(iii) all proceeds of sale of that property; and

(iv) the benefit of all covenants given in respect thereof;

"Rate of Exchange" means, on a particular day, the rate of exchange which the Security Trustee or the Receiver as the case may be (or their respective agents or nominees) is able to obtain for purchasing or selling the relevant currency in the London foreign exchange market in order to convert it from or into Sterling as may be required in order to satisfy the relevant obligations;

"Receivables" means:

(i) Book Debts;

(ii) Payment Obligations; and

(iii) Refundables;

"Receivables Financing Agreement" means any receivables financing agreement entered into between the Chargor and a Bibby Debt Company, (as amended, varied, restated, replaced or substituted from time to time);

"Receiver" means any receiver, receiver and manager or administrative receiver appointed by the Security Trustee under this Deed;

"Refundables" means all present and future amounts paid or payable to the Chargor in respect of, or entitlements to claim payment or repayment of, any Taxes, insurance premiums or other overpayments paid by or on behalf of the Chargor;

"Related Rights" means, in relation to any Charged Securities:

(i) all dividends, distributions and other income paid or payable on the relevant Charged Securities or any asset referred to in paragraph (ii) below;

(ii) all rights, monies or property accruing or offered at any time in relation to the Charged Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"**Relevant Security Beneficiary**" means, in respect of the Chargor or, if the Facilities have been made available to another person, such other person, any Security Beneficiary which is a Bibby Debt Company or, if no Security Beneficiary is a Bibby Debt Company, a Bibby Asset Company or, if no Security Beneficiary is a Bibby Debt Company or a Bibby Asset Company, any other Security Beneficiary;

"**Report on Title**" means any report on title in relation to the Property provided or to be provided by or on behalf of the Chargor to the Security Trustee;

"**Secured Obligations**" means:

(i) all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone, as principal or surety, or in any other capacity whatsoever and whether a Security Beneficiary shall have been an original party to the relevant transaction or document) of the Chargor to the Security Trustee (whether on its own account or on behalf of any of the Security Beneficiaries) or to the other Security Beneficiaries (or any of them) at any time (including all monies covenanted to be paid under this Deed);

(ii) all reasonable costs, charges and expenses properly incurred by the Security Trustee or the Security Beneficiaries (or any of them) in connection with the preparation and negotiation of any Finance Document or any consent or waiver pursuant to, or amendment of, any Finance Document; and

(iii) all costs, charges and expenses incurred by the Security Trustee and the Security Beneficiaries (or any of them) in connection with the protection, preservation or enforcement of their respective rights in respect of the Chargor, howsoever arising under any Finance Document,

provided that no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that, if it were so included, this Deed (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985;

"**Security Account**" has the meaning given to that term in clause 10.7.2;

"**Security Assets**" means all property and assets from time to time charged or assigned (or expressed to be charged or assigned) by or pursuant to this Deed;

"**Security Beneficiary**" means each of (1) the Security Trustee and (2) the Bibby Companies from time to time and Security Beneficiaries shall be construed accordingly;

"Security Documents" means all documents executed by any person purporting to create a Security Interest in respect of any of the Secured Obligations at any time and all Guarantees and including in each case, for the avoidance of doubt, all documents acceding to them;

"Security Interest" means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement or any other security agreement or arrangement having the effect of security;

"Security Period" means the period beginning on the date of this Deed and ending on the date on which:

(i) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and

(ii) no Security Beneficiary has any further commitment, obligation or liability under or pursuant to the Finance Documents;

"Security Trust Deed" means the security trust deed dated 11 June 2004 and entered into between (1) the Security Trustee and (2) various Bibby Companies;

"Sterling" or **"£"** means the lawful currency of the United Kingdom of Great Britain and Northern Ireland;

"Subsequent NV Debts" means all Debts (the subject of a Receivables Financing Agreement entered into after the date hereof), both present and future which come into existence on or after the date that the Receivables Financing Agreement was entered into which are intended to but which do not for any reason vest absolutely and effectively in the relevant Bibby Debt Company, from time to time;

"Taxes" means all present and future taxes, levies, imposts, duties, charges, fees, deductions and withholdings imposed or levied by any governmental, fiscal or other competent authority in the United Kingdom of Great Britain and Northern Ireland or any other jurisdiction from which the Chargor makes payment, not being a tax on overall net income (and includes, for the avoidance of doubt and without limitation, any penalty payable in connection with any failure to pay or delay in paying any of the same) and **"Taxation"** shall be construed accordingly;

"Termination Event" means any event or circumstance, howsoever described, which entitles a Security Beneficiary to terminate a Finance Document and/or demand immediate payment of all or any of the Secured Obligations at any time.

1.2 Interpretation

1.2.1 Unless a contrary indication appears, any reference in this Deed to:

1.2.1.1 **"assets"** includes any present and future properties, revenues and rights of every description and includes uncalled capital;

1.2.1.2 **"Bibby Company"** shall not require any person so defined to bear the name Bibby or to be associated with any person who does;

1.2.1.3 a **"Bibby Company"**, the **"Chargor"**, a **"Guarantor"**, an **"Obligor"**, the **"Security Trustee"** or any other **"Security Beneficiary"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees (whether immediate or derivative);

1.2.1.4 any **"Book Debts"**, **"Payment Obligations"**, **"Refundables"** or **"Receivables"** means (in each case) any of the foregoing whether present or future, actual or contingent and includes, in each such case (to the extent appropriate):

(i) the benefit of all rights, guarantees, Security Interests and remedies relating to any of the same (including without limitation, claims for damages and other remedies for non-payment of the same, all entitlements to interest, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and

(ii) all proceeds of any of the same;

1.2.1.5 **"this Deed"**, any other **"Finance Document"** or any other document, agreement or instrument is a reference to this Deed or such other Finance Document or other document, agreement or instrument as amended, supplemented, restated, novated and/or replaced from time to time (even if any of the same increases any Obligor's obligations or provides for further advances);

1.2.1.6 a Termination Event being **"continuing"** means it has not been waived in writing by the Security Beneficiary entitled to terminate a Finance Document and/or demand immediate payment of any Secured Obligations by reason of such Termination Event or remedied to the satisfaction of such Security Beneficiary;

1.2.1.7 **"including"** or **"includes"** means including or includes without limitation;

1.2.1.8 a **"person"** means any legal person including an individual, a limited company and a limited liability partnership;

1.2.1.9 **"Secured Obligations"** includes obligations and liabilities which would be treated as such but for the liquidation or dissolution of or similar event affecting an Obligor;

1.2.1.10 a provision of law is a reference to that provision as amended or re-enacted;

1.2.1.11 the singular includes the plural and *vice versa*.

1.2.2 References to clauses, paragraphs and schedules are references to clauses, paragraphs and schedules of this Deed, unless otherwise stated, and references to this Deed include its schedules.

1.2.3 Clause and schedule headings are for ease of reference only and shall not affect the construction of this Deed.

1.2.4 All of the provisions of this Deed are severable and distinct from one another and if, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

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

1.2.6 Each undertaking of the Chargor (other than an obligation to pay) contained in this Deed must be complied with at all times during the Security Period and is given by the Chargor for the benefit of the Security Trustee and each other Security Beneficiary.

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

1.2.8 If the Security Trustee considers that an amount paid by the Chargor to a Security Beneficiary under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.2.9 It is intended by the parties to this Deed that this document shall take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

1.3 Trust

1.3.1 The Security Trustee shall hold the benefit of the covenants contained in this Deed and all its rights and claims under this Deed as trustee for the Security Beneficiaries from time to time on the terms set out in the Security Trust Deed.

1.3.2 Any reference to security being granted or executed or obligations being entered into "**in favour of the Security Trustee**" means such security being granted or executed or obligations being entered into in favour of the Security Trustee as trustee for the Security Beneficiaries from time to time.

2. COVENANT TO PAY

2.1 Covenant to pay

2.1.1 The Chargor covenants in favour of the Security Trustee that it will pay and discharge the Secured Obligations from time to time when they fall due.

2.1.2 Every payment by the Chargor of a Secured Obligation which is made to the Security Beneficiary to which that Secured Obligation is due and payable in accordance with the Finance Document under which such sum is payable shall operate in satisfaction *pro tanto* of the covenant contained in clause 2.1.1.

2.2 Default interest

2.2.1 Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full at the rate and in the manner agreed in the relevant Finance Document under which such sums are payable (if any), and, in the absence of such agreement, at the Default Rate.

2.2.2 Default interest will accrue from day to day and will be compounded at such intervals as the Security Trustee (acting on the instructions of the Relevant Security Beneficiary (or if there is more than one, the majority in number of the Relevant Security Beneficiaries) considers appropriate.

3. GRANT OF SECURITY

All mortgages, charges, assignments and other security made or created under this Deed are made or created:

3.1 in favour of the Security Trustee;

3.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994;

3.3 as a continuing security for payment of all of the Secured Obligations; and

3.4 on, with the benefit of and subject to the provisions of the Security Trust Deed, the provisions of which the Chargor hereby acknowledges.

Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

4. FIXED SECURITY

4.1 Fixed charges

The Chargor charges and agrees to charge all the present and future right, title and interest of the Chargor in and to the following assets which are at any time owned by the Chargor or in which the Chargor from time to time has an interest:

4.1.1 by way of first legal mortgage:

4.1.1.1 the Property (if any) specified in part 1 (*Property*) of schedule 2 (*Details of Security Assets*); and

4.1.1.2 all other Property (if any) now vested in or charged to the Chargor (not charged by clause 4.1.1.1);

4.1.2 by way of first fixed charge:

4.1.2.1 all other Property and all interests in Property (not charged by clause 4.1.1); and

4.1.2.2 all licences to enter upon or use land and the benefit of all other agreements relating to land;

4.1.3 by way of first fixed charge:

4.1.3.1 the assets (if any) specified in part 2 (*Chattels*) of schedule 2 (*Details of Security Assets*);

4.1.3.2 all plant and machinery (not charged under clause 4.1.1, 4.1.2 or 4.1.3.1);

4.1.3.3 all computers, vehicles, office equipment and other equipment;

4.1.3.4 the benefit of all contracts, licences and warranties relating to the assets referred to in clauses 4.1.3.1, 4.1.3.2 and 4.1.3.3,

(other than any which are for the time being part of the Chargor's stock-in-trade or work-in-progress);

4.1.4 by way of first fixed charge:

4.1.4.1 all the Charged Securities referred to in part 3 (*Charged Securities*) of schedule 2 (*Details of Security Assets*);

4.1.4.2 all other Charged Securities (not charged by clause 4.1.4.1),

in each case, together with (1) all Related Rights from time to time accruing to those Charged Securities and (2) all rights which the Chargor may have at any time against any clearance or settlement system or custodian in respect of any Charged Investments;

4.1.5 by way of first fixed charge, all monies standing to the credit of the Chargor from time to time on any and all accounts with any bank, financial institution or other person, in each case together with all interest from time to time accrued or accruing on such monies and all rights to repayment of all of the foregoing;

4.1.6 by way of first fixed charge, any investment made out of any monies or account of the Chargor and all rights to repayment of any of the same;

4.1.7 by way of first fixed charge, all Intellectual Property;

4.1.8 to the extent that any of the Assigned Assets are not effectively assigned under clause 4.2 (*Security assignments*), by way of first fixed charge, those Assigned Assets;

4.1.9 by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed):

4.1.9.1 the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of the Chargor or the use of any of its assets; and

4.1.9.2 any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it; and

4.1.10 by way of first fixed charge, all the goodwill and uncalled capital of the Chargor;

4.1.11 by way of first fixed charge, all Non-Vesting Debts and their proceeds now or in the future owing to a Chargor;

4.1.12 by way of first fixed charge, all NV Related Rights relating to any Non-Vesting Debts;

4.1.13 by way of first fixed charge, all NV Take-On Debts and their proceeds;

4.1.14 by way of first fixed charge, all NV Related Rights relating to any NV Take-On Debts;

4.1.15 by way of first fixed charge, all Subsequent NV Debts and their proceeds now or in the future owing to a Chargor;

4.1.16 by way of first fixed charge, all NV Related Rights relating to any Subsequent NV Debts.

4.2 Security assignments

The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption in accordance with clause 36.1 (*Obligation to release*)) all its present and future right, title and interest in and to:

4.2.1 the Insurances, all claims under the Insurances and all proceeds of the Insurances; and

4.2.2 the Security Accounts and all monies at any time standing to the credit of the Security Accounts together with all interest from time to time accrued or accruing on such monies, and all rights to repayment of any of the foregoing; and

4.2.3 any investment made out of any monies or account of the Chargor and all rights to repayment of any of the same; and

4.2.4 all present and future right, title and interest of the Chargor in and to (to the extent not otherwise assigned under clause 4.2.1 or 4.2.2):

4.2.4.1 the Book Debts;

4.2.4.2 the Payment Obligation; and

4.2.4.3 the Refundables.

To the extent that any Assigned Asset described in clause 4.2.1 is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of the Insurances.

4.3 Notice of assignment

Immediately upon execution of this Deed (and immediately upon the obtaining of any Insurance after the date of this Deed) the Chargor shall:

4.3.1 if so required by a Security Beneficiary or the Security Trustee in respect of any of the Insurances, deliver a duly completed notice of assignment to each of the other parties to that Insurance, and use its best endeavours to procure that each such person executes and delivers to the Security Trustee an acknowledgement, in each case in forms approved by the Security Trustee; and

4.3.2 deliver a duly completed notice of assignment or change to the Account Bank and procure that the Account Bank executes and delivers to the Security Trustee an acknowledgement, in each case in forms approved by the Security Trustee.

4.4 Assigned Assets

The Security Trustee shall not be obliged to take any steps necessary to preserve any of the Assigned Assets or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

5. FLOATING CHARGE

The Chargor charges and agrees to charge by way of first floating charge all its present and future (1) assets and undertaking (wherever located) which are not effectively charged by way of first fixed mortgage or charge or assigned pursuant to the provisions of clause 4.1 (*Fixed charges*) or clause 4.2 (*Security assignments*) or any other provision of this Deed, and (2) (whether or not effectively so charged) heritable property and all other property and assets in Scotland.

6. CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

The Security Trustee may, by written notice to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the Chargor's assets specified in the notice if:

6.1.1 a Termination Event has occurred and is continuing; or

6.1.2 the Security Trustee (in its reasonable opinion) considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

6.2 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically be converted into a fixed charge in relation to any of the Security Assets which are subject to a floating charge if:

6.2.1 the Chargor creates (or attempts or purports to create) any Security Interest other than a Permitted Security Interest on or over the relevant asset except as permitted under clause 10.1 (*Restriction on dealing*); or

6.2.2 if any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such asset.

6.3 Partial conversion

The giving by the Security Trustee of a notice pursuant to clause 6.1 (*Conversion by notice*) in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Trustee to serve similar notices in respect of any other class of assets or of any of the other rights of the Security Trustee and/or the Security Beneficiaries.

7. CONTINUING SECURITY

7.1 Continuing security

The security constituted by this Deed is continuing and will extend to the ultimate balance of all the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

7.2 Additional and separate security

This Deed is in addition to, and without prejudice to and shall not merge with, any other right, remedy, guarantee or Security Interest which the Security Trustee and/or any of the other Security Beneficiaries may at any time hold for any of the Secured Obligations.

7.3 Right to enforce

This Deed may be enforced against the Chargor without the Security Trustee and/or the other Security Beneficiaries first having recourse to any other right, remedy, guarantee or Security Interest held by or available to it or any of them.

8. CHARGOR'S LIABILITY RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all of the conditions and obligations assumed by it in relation to the Security Assets. The Security Trustee is under no obligation to perform or fulfil any such condition or obligation or make any payment in respect of any such condition or obligation.

9. PROVISIONS RELATING TO CHARGED SECURITIES

9.1 Dividends and voting rights

Until a Termination Event occurs the Chargor shall be entitled to:

9.1.1 receive and retain all dividends, distributions and other monies paid on or derived from the Charged Securities; and

9.1.2 exercise all voting and other rights and powers attaching to the Charged Securities **provided** that it must not do so in a manner which is prejudicial to the interests of the Security Trustee and the other Security Beneficiaries under this Deed (including, without limitation, which has the effect of changing the terms of the Charged Securities (or any class of them) or of any Related Rights).

9.2 Authority to complete transfers

At any time following the occurrence of a Termination Event which is continuing the Security Trustee may complete the instrument(s) of transfer for the Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select.

9.3 No responsibility

At any time when any Charged Securities are registered in the name of the Security Trustee or its nominee, the Security Trustee will not be under any duty (1) to ensure that any dividends, distributions or other monies payable in respect of those Charged Securities are duly and promptly paid or received by it or its nominee or (2) to verify that the correct amounts are paid or received or (3) to take any action in connection with any Related Rights in respect of or in substitution for any of those Charged Securities.

10. UNDERTAKINGS BY THE CHARGOR

10.1 Restrictions on dealing

The Chargor will not do or agree to do any of the following without the prior written consent of the Relevant Security Beneficiary (or, if there is more than one, each Relevant Security Beneficiary):

10.1.1 create or permit to subsist any Security Interest upon any of the Security Assets (except a Permitted Security Interest); or

10.1.2 sell, transfer, lease, lend or otherwise dispose of or part with (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any of the Security Assets except for a Permitted Disposal.

10.2 Security Assets generally

The Chargor will:

10.2.1 permit the Security Trustee (or its designated representatives), on reasonable notice:

10.2.1.1 access during normal office hours to the accounting records of the Chargor and to any documents and records relating to the Security Assets; and

10.2.1.2 to inspect, take extracts from and make photocopies of, the same,

and provide (at the expense of the Chargor) such clerical and other assistance which the Security Trustee may reasonably require to do this;

10.2.2 notify the Security Trustee within 7 days of receipt of every material notice, order or proposal given or made in relation to the Security Assets by any competent authority, and (if required by the Security Trustee) immediately provide it with a copy of the same and either (1) comply with the same or (2) make such objections to the same as the Security Trustee may require or approve;

10.2.3 duly and punctually pay all rates, rents, taxes, and other outgoings due by it in respect of the Security Assets (or any of them);

10.2.4 comply with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under any bye-laws, regulations or requirements of any competent authority or other approvals, licences or consents;

10.2.5 comply with all material covenants and obligations affecting any of the Security Assets (or the manner of use of any of them);

10.2.6 not, except with the prior written consent of the Relevant Security Beneficiary (or, if there is more than one, each Relevant Security Beneficiary), (such consent not to be unreasonably withheld or delayed), enter into any onerous or restrictive obligation affecting any of the Security Assets;

10.2.7 unless the Security Trustee otherwise confirms in writing, deposit with the Security Trustee all deeds and documents of title relating to the Security Assets (which the Security Trustee may hold throughout the Security Period);

10.2.8 provide the Security Trustee with all information which it may reasonably request in relation to the Security Assets;

10.2.9 not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Security Assets (or make any omission which has such an effect); and

10.2.10 do all acts which any of the Security Beneficiaries may reasonably require and which are practicable to evidence the interest of any Security Beneficiaries in the Secured Assets or any of them.

10.3 Land, etc

10.3.1 The Chargor will:

10.3.1.1 maintain all buildings and erections forming part of the Security Assets in a good state of repair; and

10.3.1.2 maintain all plant, machinery, fixtures, fittings and other effects for the time being owned by it in good working order and condition and will, immediately on request by the Security Trustee, affix to any such item in a prominent position a durable nameplate containing notice of this Deed (in any form required by the Security Trustee).

10.3.2 The Chargor will not, except with the prior written consent of the Relevant Security Beneficiary (or, if there is more than one, each Relevant Security Beneficiary), confer on any person:

10.3.2.1 any lease or tenancy of any of the Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);

10.3.2.2 any right or licence to occupy any land or buildings forming part of the Property; or

10.3.2.3 any licence to assign or sub-let any part of the Property.

10.3.3 The Chargor will not carry out any development within the meaning of the Planning Acts in or upon any part of the Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure or a change of use of any part of the Property, without first obtaining the written consent of the Relevant Security Beneficiary (or, if there is more than one, each Relevant Security Beneficiary).

10.3.4 The Chargor will not do or permit to be done anything as a result of which any lease may be liable to forfeiture or otherwise be determined.

10.3.5 The Chargor will:

10.3.5.1 notify the Security Trustee immediately upon the acquisition of any freehold or leasehold property; and

10.3.5.2 on demand by the Security Trustee, execute and deliver to the Security Trustee a legal mortgage (or, in the case of property situated in Scotland, a standard security) in favour of the Security Trustee of any freehold or leasehold Property which becomes vested in it after the date of this Deed (together with all fixtures and fittings thereon and fixed plant and machinery) to secure the payment of the Secured Obligations in any form which the Security Trustee reasonably requires. In the case of any leasehold Property in relation to which the consent of the landlord in whom the reversion of that lease is vested is required in order for the Chargor to perform any of its obligations under this clause 10.3.5, the Chargor shall not be required to perform that particular obligation unless and until it has obtained the landlord's

consent (which it shall use its reasonable endeavours to do).

10.3.6 The Chargor will permit the Security Trustee and any person nominated by it at all reasonable times with reasonable notice to enter any part of the Property and view the state of it.

10.3.7 The Chargor will grant the Security Trustee on request all reasonable facilities within the power of the Chargor to enable the Security Trustee (or its lawyers) to carry out investigations of title to the Property and to make all enquiries in relation to any part of the Property which a prudent mortgagee might carry out. Those investigations shall be carried out at the expense of the Chargor.

10.3.8 Immediately upon demand by the Security Trustee, the Chargor will at its own expense provide the Security Trustee with a report as to title of the Chargor to the Property (concerning those items which may properly be sought to be covered by a prudent mortgagee in a lawyer's report of this nature).

10.4 Chattels

10.4.1 The Chargor covenants with each of the Security Beneficiaries that:

10.4.1.1 it will use its reasonable endeavours to procure that, within a reasonable period and in any event within 10 days following receipt of a written request from a Security Beneficiary, written confirmation of the current general location of the Equipment is provided;

10.4.1.2 it will procure that the Equipment is used in compliance with all applicable laws and in a careful and proper manner employing for the purpose only properly trained and competent persons in accordance with good industry standards and that the Equipment is not used for any purpose for which it is not designed or for any unlawful purpose;

10.4.1.3 it will procure that there is in full force and effect, at no cost to any Security Beneficiary, all permissions, licences and other authorisations which may at any time be reasonably required in connection with the possession, ownership or use of the Equipment;

10.4.1.4 it will procure that all obligations imposed on the Chargor in relation to the Equipment under the Health and Safety at Work, etc Act 1974 or by any regulations made, or improvement or prohibition notice served on the Chargor or in respect of any of its Property, thereunder are complied with;

10.4.1.5 it will ensure (in so far as the same is within its power) that the Equipment does not, for so long as the same is in the ownership of the Chargor, become a fixture including for the purposes of Chapter VI of part II of the Capital Allowances Act 1990 and will, notwithstanding such covenant, notify the Security Trustee and each Security Beneficiary to which the Chargor owes or has incurred any Secured Obligations forthwith upon the Equipment (or any part thereof) becoming a fixture;

10.4.1.6 it will notify the Security Trustee and each Security Beneficiary to which the Chargor has owing or incurred any Secured Obligations of any material loss, theft, damage or destruction of or to the Equipment promptly upon becoming aware thereof; and

10.4.1.7 it will inform promptly upon becoming aware thereof the Security Trustee and the Relevant Security Beneficiary of any Termination Event or any event which may, with the giving of notice, lapse of time, determination of materiality or satisfaction of any other condition, become a Termination Event.

10.5 Insurance

10.5.1 The Chargor will effect and maintain Insurances at its own expense in respect of all its assets and business (including assets taken on lease) with insurers previously approved in writing by each Security Beneficiary to which the Chargor has owing or incurred any Secured Obligations (referred to in this clause 10.5 (*Insurance*) as **"such Security Beneficiary"**).

10.5.2 Such insurances must (in addition to complying with any other agreement as to maintenance of insurance made between the Chargor and a Security Beneficiary at any time):

10.5.2.1 provide cover against (1) loss or damage by fire, (2) all risks which are normally and prudently insured against by other companies owning or possessing similar assets and carrying on similar businesses and (3) all other risks which such Security Beneficiary may from time to time specify;

10.5.2.2 be in such amounts as would in the circumstances be prudent for such companies and shall include an entitlement to receive the full replacement or reinstatement value from time to time of any assets destroyed or otherwise becoming a total loss, and in the case of any freehold or leasehold Property, providing for architects' and surveyors' fees, demolition costs and the costs of shoring up and three years' loss of rent, in each case subject to automatic index adjustment;

10.5.2.3 be either in the joint names of the Chargor and such Security Beneficiary or the Security Trustee or (as such Security Beneficiary may in any case require) have the interest of the Security Trustee as mortgagee noted on the policies with effect from the date of this Deed; and

10.5.2.4 name such Security Beneficiary or the Security Trustee (as such Security Beneficiary may in any case require) as sole loss payee.

10.5.3 The Chargor will:

10.5.3.1 promptly pay all premiums relating to the Insurances; and

10.5.3.2 supply to the Relevant Security Beneficiary and the Security Trustee on request copies of each policy of Insurance which is required to be maintained in accordance with this clause 10.5, together with the current premium receipts relating to it.

10.5.4 The Chargor will ensure that each of the Insurances is on such terms and contains such clauses as such Security Beneficiary may reasonably require and in particular, but without limitation, on terms that the relevant insurer will inform such Security Beneficiary and the Security Trustee:

10.5.4.1 of any cancellation, alteration, termination or expiry of any such Insurance at least 30 days before it is due to take effect;

10.5.4.2 of any default in the payment of any premium or failure to renew the Insurance at least 30 days before the renewal date;

10.5.4.3 of any act, omission or event of which the insurer has knowledge which may make any Insurance void, voidable or unenforceable (in whole or in part),

and that the insurer agrees that the Insurance effected shall not be invalidated or prejudiced so far as the Security Trustee and the Security Beneficiaries are concerned by any breach of the insuring conditions, any misrepresentation or other act or omission (including non-disclosure) unknown to or beyond the control of the Security Trustee on behalf of the Chargor or any tenant, lessee or licensee of any of the Security Assets.

10.5.5 The Chargor will not do or permit to be done or omit to do anything which may render any Insurance void, voidable or unenforceable (in whole or in part) and will not vary, amend or terminate any insurance policy.

10.5.6 If at any time the Chargor defaults in effecting or keeping up the Insurances referred to in this clause 10.5, or in producing any insurance policy or receipt to the Security Trustee or Relevant Security Beneficiary on demand, the Security Trustee may take out or renew such policies of insurance in any sum which the Security Trustee or such Security Beneficiary may reasonably think expedient. All monies which are expended by the Security Trustee in doing so shall be deemed to be properly paid by the Security Trustee and shall be reimbursed by the Chargor on demand.

10.5.7 In relation to the proceeds of Insurances:

10.5.7.1 the Chargor will notify the Security Trustee and such Security Beneficiary if any claim arises or may be made under the Insurances;

10.5.7.2 the Security Trustee acting on the instructions of such Security Beneficiary shall have the sole right to settle or sue for any such claim and give any discharge for insurance monies;

10.5.7.3 all claims and monies received or receivable under any Insurances must (subject to the rights or claims of any lessor or landlord of any part of the Security Assets) be applied in repairing, replacing, restoring or rebuilding the property damaged or destroyed or (after the occurrence of a Termination Event which is continuing) in permanent reduction of the Secured Obligations in such order as the Security Trustee sees fit.

10.6 Non-Vesting Debts and Subsequent Non-Vesting Debts

10.6.1 Insofar as there is any conflict between the provisions of this clause 10.6 and any other provisions of this Deed, the provisions of this clause 10.6 shall apply.

10.6.2 The Chargor will only deal with Non-Vesting Debts, NV Take-On Debts and Subsequent NV Debts and their respective proceeds and any NV Related Rights thereto as if they were Debts and NV Related Rights validly and effectively assigned to the relevant Bibby Debt Company pursuant to a Receivables Financing Agreement.

10.6.3 The Chargor acknowledges that pursuant to the terms of the Security Trust Deed any Receivables assigned to the Security Trustee pursuant to the terms hereof shall be automatically re-assigned to the Chargor immediately before the entry into of a Receivables Financing Agreement for the purpose of their assignment to the relevant Bibby Debt Company pursuant to the terms of the Receivables Financing Agreement, or (should they fail to vest absolutely and effectively in the relevant Bibby Debt Company) be charged by any of clauses 4.1.13 to 4.1.16 (inclusive) or any other charges contained herein.

10.7 Receivables and Security Accounts

10.7.1 The Chargor will, without prejudice to clause 10.1 *(Restrictions on dealing)* but in addition to the restrictions in that clause, not sell, assign, charge, factor or discount or in any other manner deal with any of the Receivables without the prior written consent of each Security Beneficiary to which such Receivable has been sold or absolutely assigned or purported to be sold or absolutely assigned, or if there is no such Security Beneficiary, each Security Beneficiary to which a Security Interest has been granted in respect of such Receivable (referred to in this clause 10.7 (*Receivables and Security Accounts*) as **"such Security Beneficiary"**).

10.7.2 The Chargor must:

10.7.2.1 collect all Receivables promptly and otherwise in the ordinary course of trading as agent for such Security Beneficiary;

10.7.2.2 immediately upon receipt pay all monies which it may receive in respect of the Receivables into such trust and/or designated account(s) in the name of the Chargor and/or a Security Beneficiary with such bank as the Security Trustee (or any person authorised by the Security Trustee) may from time to time direct (each such account together with all additions to or renewals or replacements thereof (in whatever currency) being a **"Security Account"**); and

10.7.2.3 pending such payment into a Security Account, hold all monies so received upon trust for the Security Trustee.

10.7.3 The Chargor will not attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Security Account without the prior written consent of the Security Trustee (or any person authorised by the Security Trustee) and the Security Trustee (or such person) shall be entitled in its absolute discretion to refuse to permit any such withdrawal.

10.7.4 The Chargor will deal with the Receivables (both collected and uncollected) and the Security Accounts in accordance with any directions given in writing from time to time by the Security Trustee (or any person authorised to give such directions on behalf of the Security Trustee) and, in default of and subject to such directions, in accordance with this Deed.

10.7.5 The Chargor hereby authorises the Security Beneficiaries to make payments between themselves from the proceeds of Receivables or monies standing to the credit of any Security Account and to hold such proceeds to the order of another Security Beneficiary provided in each case that an amount equivalent to the amount of such payment is payable to the Security Beneficiary who receives the

payment from another Security Beneficiary or to whose order it is held under a Finance Document.

10.7.6 The Chargor will deliver to the Security Trustee such information as to the amount and nature of the Receivables as the Security Trustee may from time to time reasonably require.

10.8 Charged Investments

10.8.1 The Chargor will, by way of security for the Secured Obligations, in respect of all Charged Securities which are in certificated form:

10.8.1.1 immediately upon execution of this Deed deliver to the Security Trustee (or as it may direct):

(a) all certificates and other documents of title or evidence of ownership to the Charged Securities specified in part 2 (*Charged Securities*) of schedule 2 (*Details of Security Assets*); together with

(b) instruments of transfer in respect of such Charged Securities executed in blank and left undated and/or such other documents as the Security Trustee shall require to enable it or its nominees to be registered as the owner of or otherwise acquire a legal title to the Charged Securities;

10.8.1.2 procure that the legal and beneficial owner of any share held by a nominee shareholder has executed a declaration of trust (in form and substance satisfactory to the Security Trustee) in favour of the Security Trustee; and

10.8.1.3 immediately upon receipt of any certificate or any other document of title to any other Charged Securities, deliver it to the Security Trustee together with instruments of transfer executed in blank and left undated or other documents required pursuant to clause 10.8.1.1(a).

10.8.2 The Chargor will promptly pay all calls or other payments which may become due in respect of the Charged Investments.

11. REPRESENTATIONS AND WARRANTIES

11.1 Representations

The Chargor makes the representations and warranties set out in this clause 11.1 to the Security Trustee and to each other Security Beneficiary:

11.1.1 The Security Assets are or when acquired will be beneficially owned by the Chargor free from any Security Interest other than:

11.1.1.1 as created by this Deed; and

11.1.1.2 Permitted Security Interests.

11.1.2 This Deed creates the Security Interests which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise.

11.1.3 No litigation, arbitration or administrative or enforcement proceeding is currently taking place or threatened in relation to any of the Security Assets.

11.1.4 The Chargor is the sole legal and beneficial owner of all of the Security Assets specifically identified in schedule 2 (*Details of Security Assets*) except in respect of those Charged Securities which are held by a nominee for the Chargor in which case the Chargor is the beneficial owner of those Charged Securities.

11.1.5 The Charged Securities are fully paid and the Charged Securities listed in part 3 (*Charged Securities*) of schedule 2 (*Details of Security Assets*) constitute the entire issued share capital of the company in which they are held.

11.1.6 In relation to the Property owned at the date this representation is made or repeated:

11.1.6.1 part 1 (*Property*) of schedule 2 (*Details of Security Assets*) identifies all freehold and leasehold Properties which are beneficially owned by the Chargor at the date of this Deed;

11.1.6.2 all information provided to and used by the Chargor's legal advisers in preparation of any Report(s) on Title was and remains true and complete in all material respects;

11.1.6.3 Except as disclosed to the Security Beneficiaries in any Report on Title:

(a) there is no breach of the Planning Acts or any other law or regulation which may materially affect the value or marketability of any Property;

(b) there is no covenant, agreement, stipulation, reservation, condition, interest, right or other matter affecting the Property;

(c) there is no overriding interest over the Property;

(d) no person has a right to terminate the use of a facility necessary for the enjoyment and use of the Property;

(e) the Chargor is not aware of any adverse claim in respect of the ownership of, or any interest in, the Property; and

(f) the Property is free from any tenancies or licences.

11.2 Matters represented

The representations and warranties in clause 11.1 (*Representations*) will be correct and complied with in all respects at all times during the Security Period with reference to the circumstances existing at the time at which they are repeated.

12. POWER TO REMEDY

If at any time the Chargor does not comply with any of its obligations under this Deed, the Security Trustee (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Security Trustee and its employees and agents by way of security to do all such things (including entering the property of the Chargor) necessary or desirable to rectify that default. The exercise of the powers of the Security Trustee under this clause shall not render it or any other Security Beneficiary liable as a mortgagee in possession. The Chargor shall pay to the Security Trustee on demand any monies which are expended by the Security Trustee in doing so.

13. POWERS OF LEASING

The statutory powers of leasing conferred on the Security Trustee are extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee shall think fit and without the need to comply with any of the provisions of sections 99 and 100 of the Act.

14. POWERS OF THE SECURITY TRUSTEE

14.1 The Secured Obligations shall become immediately due and payable on demand and the security constituted by this Deed shall become immediately enforceable upon the Chargor defaulting in the payment of any of the Secured Obligations that have fallen due for payment or any breach, default or event of default (howsoever defined) under the Finance Documents occurs.

14.2 At any time after the security constituted by or pursuant to this Deed has become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of this security in such manner as it sees fit.

15. ENFORCEMENT OF SECURITY

15.1 General

For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 (*Restricting the right of consolidation*) and 103 (*Restricting the power of sale*) of the Act shall not apply to the security created by or pursuant to this Deed.

15.2 Powers of Security Trustee

At any time after the security constituted by or pursuant to this Deed becomes enforceable, the Security Trustee may:

15.2.1 (or if so requested by the Chargor by written notice at any time may) without further notice appoint any person (or persons) to be a Receiver, Receiver and manager (or administrative receiver so far as permitted by law) of all or any part of the Security Assets and/or of the income of the Security Assets; and/or

15.2.2 appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor; and/or

15.2.3 exercise all or any of the powers conferred on mortgagees by the Act (as varied or amended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or

15.2.4 exercise (in the name of the Chargor and without any further consent or authority of the Chargor) any voting rights and any powers or rights which may be exercised by the person(s) in whose name the Charged Investments are registered or who is the holder of any of them or otherwise (including all the powers given to trustees by section 10(3) and (4) of the Trustee Act 1925 as amended by section 9 of the Trustee Investments Act 1961 in respect of securities or property subject to a trust).

16. RECEIVER

16.1 Removal and replacement

The Security Trustee may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to the provisions of section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

16.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, such persons shall have power to act individually (unless otherwise stated in the appointment document).

16.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Trustee (or, failing such agreement, to be fixed by the Security Trustee).

16.4 Payment to the Security Trustee

Only monies actually paid to the Security Trustee in satisfaction or discharge of the Secured Obligations shall be capable of being applied by the Security Trustee in satisfaction of the Secured Obligations.

16.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor. The Chargor shall (subject to the provisions of the Companies Act 1985 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Security Beneficiary shall incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

17. POWERS OF RECEIVER

17.1 General powers

Any Receiver shall have (1) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act, (2) (whether or not it is an administrative receiver) all the powers which are listed in schedule 1 to the Insolvency Act 1986 and (3) all the powers which are conferred by any other law conferring powers on receivers.

17.2 Additional powers

In addition, a Receiver shall have the following powers:

17.2.1 to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;

17.2.2 to manage the Security Assets and the business of the Chargor as he thinks fit;

17.2.3 to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;

17.2.4 to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act. Fixtures may be severed and sold separately from the Property containing them, without the consent of the Chargor. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party). Any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;

17.2.5 to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested prior to his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);

17.2.6 to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;

17.2.7 to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);

17.2.8 to enter into or make any such agreement, arrangement or compromise as he shall think fit;

17.2.9 to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Trustee shall direct);

17.2.10 to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including,

without prejudice to the generality of the foregoing power, to employ his partners and firm);

17.2.11 to form one or more subsidiaries of the Chargor, and to transfer to any such subsidiary all or any part of the Security Assets;

17.2.12 to operate any rent review clause in respect of any Property in respect of which he was appointed or any part thereof and to apply for any new or extended lease; and

17.2.13 to:

17.2.13.1 give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Assets;

17.2.13.2 exercise in relation to the Security Assets or any part of them all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and

17.2.13.3 use the name of the Chargor for any of the above purposes.

18. OTHER PROVISIONS RELATING TO ENFORCEMENT

18.1 No liability

Neither the Security Trustee, any of the other Security Beneficiaries nor any Receiver shall be liable (1) in respect of all or any part of the Security Assets or (2) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).

18.2 Not mortgagee in possession

Without prejudice to the generality of clause 18.1 (*No liability*), entry into possession of the Security Assets shall not render the Security Trustee, any other Security Beneficiary or the Receiver liable to account as mortgagee in possession or liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable. If and whenever the Security Trustee enters into possession of the Security Assets, it shall be entitled at any time at its discretion to go out of such possession.

18.3 Rights

Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers (when such receivers have been duly appointed under the Act) except that section 103 of the Act does not apply.

19. PROTECTION OF THIRD PARTIES

No person (including a purchaser) shall be concerned to enquire whether the right of the Security Trustee to appoint a Receiver, or whether any power which the Security Trustee or any Receiver is purporting to exercise, has arisen or become exercisable, nor be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of any such powers. The position of such a person and their title (if a purchaser) shall not be impeachable by reference to any of those matters.

20. APPLICATION OF PROCEEDS

20.1 Application

All monies received by the Security Trustee or any Receiver or any Bibby Companies under or in connection with this Deed after the security created by or pursuant to this Deed has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the security constituted by this Deed) be applied in the following order:

20.1.1 ***first*** in satisfaction of or provision for all costs, charges and expenses incurred and payments made by the Security Trustee, any other Secured Beneficiary or any Receiver and all remuneration due to the Receiver;

20.1.2 ***secondly*** in or towards the satisfaction of the remaining Secured Obligations; and

20.1.3 ***thirdly*** in payment of any surplus to the Chargor or other person entitled to it.

For the avoidance of doubt, any monies standing to the credit of any account of the Chargor with the Security Trustee or in which it has an interest may be applied in accordance with this clause.

20.2 Contingencies

If the security constituted by or pursuant to this Deed is enforced at a time when no Secured Obligations are due under the Finance Documents (but at a time when amounts may become so due), the Security Trustee or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account and the Security Trustee shall not be obliged to apply the same or any part thereof in or towards the discharge of any of the Secured Obligations whether before or after any such Secured Obligations become due under the Finance Documents.

21. APPROPRIATION AND SUSPENSE ACCOUNT

21.1 Right of appropriation

Subject to clause 30.2 (*Currency indemnity*), the Security Trustee may apply all payments received for the Secured Obligations to reduce any part of the

Secured Obligations in accordance with the Security Trust Deed. Any such appropriation shall override any appropriation by the Chargor.

21.2 Suspense account

All monies received, recovered or realised by the Security Trustee under or in connection with this Deed may at the discretion of the Security Trustee be credited to any suspense account for so long as the Security Trustee determines (with interest accruing thereon at such rate, if any, as the Security Trustee may determine for the account of the Chargor) without the Security Trustee having any obligation to apply the same or any part thereof in or towards the discharge of any of the Secured Obligations.

22. CONSOLIDATION OF ACCOUNTS AND SET-OFF

22.1 Set-off

In addition to any other rights of set-off or consolidation they may have at any time, the Security Trustee and each of the other Security Beneficiaries shall have the right at any time or times after the occurrence of a Termination Event which is continuing without notice to the Chargor (both before and after demand):

22.1.1 to combine or consolidate all or any sums of money now or in future standing to the credit of the then existing accounts (including each of the Security Accounts) of the Chargor with the Security Trustee or any Security Beneficiary with the liabilities to the Security Trustee or any Security Beneficiary of the Chargor; and

22.1.2 to set off or transfer any sum or sums standing to the credit of any one or more of such accounts (including each of the Security Accounts) in or towards satisfaction of any of the liabilities of the Chargor to the Security Trustee or any Security Beneficiary on any other account or in any other respect.

22.2 Nature of obligations

The liabilities referred to in this clause 22 (*Consolidation of accounts and set-off)* (1) may be actual, contingent, primary, collateral, several or joint liabilities and (2) may be owed to different branches or offices of a Security Beneficiary or to different Security Beneficiaries. The accounts, sums and liabilities referred to in this clause 22 (*Consolidation of accounts and set-off)* may be denominated in any currency and each Security Beneficiary is authorised to effect any necessary conversions at a market rate of exchange selected by it.

22.3 Amount

If the relevant obligation or liability is unliquidated or unascertained, each Security Beneficiary may set off the amount which it estimates (in good faith) will be the final amount of such obligation or liability once it becomes liquidated or ascertained.

23. DELEGATION

Each of the Security Trustee and any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

24. FURTHER ASSURANCE

24.1 Further assurance

Whenever requested by the Security Trustee the Chargor will, at its own expense, promptly execute any deeds or documents and take any action required by the Security Trustee:

24.1.1 to perfect, improve and protect the security created (or intended to be created) by or pursuant to this Deed; or

24.1.2 to facilitate the realisation of any Security Asset or otherwise to enforce the security created by or pursuant to this Deed; or

24.1.3 to exercise any of the rights of the Security Trustee or any Receiver or any delegate or sub-delegate thereof under this Deed,

including (without limitation) (1) the execution of any transfer, conveyance, assignment or assurance of any Property or assets (whether to the Security Trustee or its nominees) and (2) the giving of any notice, order or direction and the making of any registration which, in any such case, the Security Trustee may think expedient.

24.2 Specific obligations

Without limiting the generality of clause 24.1 (*Further assurance*), the Chargor will on demand execute, in favour of the Security Trustee and in such form as the Security Trustee shall reasonably require:

24.2.1 a valid legal mortgage of any freehold or leasehold Property now or in the future belonging to the Chargor;

24.2.2 a legal assignment of all or any of the Receivables and give notice of such assignment to the persons liable to discharge those Receivables (whether as principal debtor or as surety); and

24.2.3 a valid fixed charge over any asset which is subject to the floating charge under this Deed.

24.3 Cost and terms

Any security document required to be executed by the Chargor pursuant to this clause 24 (*Further assurance*) or clause 10.3.5.2 will be prepared at the cost of the Chargor and will contain terms and conditions which are no more onerous than those contained in this Deed.

25. POWER OF ATTORNEY

The Chargor by way of security irrevocably and severally appoints the Security Trustee and every Receiver and any person nominated for the purpose by the Security Trustee or any Receiver (in writing under hand signed by an officer of the Security Trustee or any Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to:

25.1 sign or execute (using the company seal where appropriate) any document, or take any action, in each case which the Chargor is obliged to sign, execute or take under this Deed (including under clause 24 (*Further assurance*)); and

25.2 following the occurrence of a Termination Event and for as long as the same is continuing, do all such acts or things as may be required by the Security Trustee or any Receiver under this Deed or in the exercise of any of their powers.

The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

26. NOTICE OF SUBSEQUENT SECURITY INTEREST

If the Security Trustee or any other Security Beneficiary receives notice (whether actual or otherwise) of any subsequent Security Interest other than a Permitted Security Interest affecting any part of the Security Assets and/or the proceeds of sale thereof, it may open a new account or accounts for the Chargor in its books. If it does not do so, then, as from the time of receipt of such notice by the Security Trustee or such other Security Beneficiary, all payments made by the Chargor to the Security Trustee or any other Security Beneficiary shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations.

27. PAYMENTS

27.1 Payments

Subject to clause 27.2 (*Gross-up*), all payments to be made by the Chargor in respect of this Deed must be made:

27.1.1 in immediately available funds to the credit of such account as the Security Trustee may designate; and

27.1.2 free and clear of, and without any deduction for, or on account of, any set-off or counterclaim or, except to the extent compelled by law, any deduction on account of any Taxes.

27.2 Gross-up

If the Chargor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Security Trustee or any of the Security Beneficiaries, the sum so payable by the Chargor shall be increased so as to result in the receipt by the Security Trustee or such Security Beneficiary of a net amount equal to the full amount expressed to be payable under this Deed.

28. COSTS AND EXPENSES

28.1 Preparation costs

The Chargor shall promptly on demand pay to the Security Trustee and each Security Beneficiary the amount of all reasonable costs, charges and expenses (including, without limitation, reasonable legal fees, valuation, accountancy and consultancy fees (and any VAT or similar Tax thereon)) incurred by the Security Trustee or any of the Security Beneficiaries in connection with:

28.1.1 the negotiation, preparation, printing, execution, registration and completion of this Deed or any of the documents referred to in this Deed; or

28.1.2 any actual or proposed amendment or extension of, or any waiver or consent under, this Deed.

28.2 Enforcement costs

The Chargor shall promptly on demand pay to the Security Trustee, each of the other Security Beneficiaries and any Receiver the amount of all costs, charges and expenses (including, without limitation, legal fees (and any VAT or similar Tax thereon)) incurred in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any of the documents referred to in this Deed (including all remuneration of the Receiver).

28.3 Default interest

Any amount demanded under clause 28.1 (*Preparation costs*) or 28.2 (*Enforcement costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those monies were paid, incurred or charged by the relevant person and otherwise in accordance with clause 2.2 (*Default interest*).

29. STAMP DUTY

The Chargor shall:

29.1 pay all present and future stamp, registration and similar Taxes or charges which may be payable, or determined to be payable, in connection with the

execution, delivery, performance or enforcement of this Deed or any judgment given in connection therewith; and

29.2 indemnify the Security Trustee, each of the other Security Beneficiaries and any Receiver on demand against any and all costs, losses or liabilities (including, without limitation, penalties) with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar Taxes or charges.

30. CURRENCIES

30.1 Conversion

All monies received or held by the Security Trustee or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Trustee or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Rate of Exchange. The Chargor shall indemnify the Security Trustee against all costs, charges and expenses incurred in relation to such sale. Neither the Security Trustee nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such sale.

30.2 Currency indemnity

No payment to the Security Trustee (whether under any judgment or court order or in the liquidation or dissolution of the Chargor or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made, unless and until the Security Trustee shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, the Security Trustee shall have a further separate cause of action against the Chargor and shall be entitled to enforce the security constituted by this Deed to recover the amount of the shortfall.

31. INDEMNITY

The Chargor shall indemnify the Security Trustee, each other Security Beneficiary, any Receiver and any attorney, agent or other person appointed by the Security Trustee under this Deed and the Security Trustee's officers and employees (each an "**Indemnified Party**") on demand against any cost, loss, liability or expense (however arising) incurred by any of the Indemnified Parties as a result of or in connection with:

31.1 anything done or omitted in the exercise or purported exercise of the powers contained in this Deed;

31.2 the Security Assets or the use or occupation of them by any person (including any environmental claim); or

31.3 any breach by the Chargor of any of its obligations under this Deed.

32. PROTECTIVE CLAUSES

This Deed and the liability of the Chargor shall not be affected or prejudiced by reason of:

32.1 (1) the winding-up, dissolution, administration or reorganisation, (2) any incapacity or (3) any change in the name, status, ownership or constitution, of the Chargor or any other person;

32.2 any Security Beneficiary (1) granting any time, indulgence or concession to the Chargor or any other person liable or (2) compounding with, discharging, releasing or varying the liability of the Chargor or any other person liable or (3) omitting to claim or enforce payment from the Chargor or any other person liable; or

32.3 (1) any Security Beneficiary renewing, terminating, varying or increasing any purchase, assignment, credit or other facility or transaction or (2) any amendment or supplement to, or restatement, novation or replacement of any Finance Document (in each case whether or not the liability of the Chargor is increased thereby).

33. REDEMPTION OF PRIOR MORTGAGES

The Security Trustee may, at any time after the security created by this Deed has become enforceable, redeem any prior Security Interest against all or any part of the Security Assets or procure the transfer of that Security Interest to itself, and may settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall be conclusive and binding on the Chargor. All principal, interest, costs, charges and expenses of and incidental to such redemption and transfer shall be paid by the Chargor to the Security Trustee on demand.

34. HM LAND REGISTRY

34.1 Restriction

In respect of any Property which is registered land (or unregistered land subject to compulsory first registration), the Chargor (1) will give written notice of this Deed to HM Land Registry and procure that notice of this Deed is duly noted in the Register to each such title and (2):

34.1.1 applies (in respect of Property which it now holds); and

34.1.2 agrees to apply (in respect of Property which it may acquire after the date of this Deed),

to the Chief Land Registrar for the registration of a restriction against the registered titles in the following terms:

*"No disposition of the registered estate by the proprietor of the registered estate is to be registered without written consent signed by the proprietor for the time being of the charge dated ♦ 20♦♦ in favour of **BIBBY FINANCIAL SERVICES LIMITED** (as security trustee) referred to in the charges*

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register".

34.2 Memorandum and articles

The Chargor certifies that the security created by this Deed does not contravene any of the provisions of the memorandum or articles of association of the Chargor.

35. TACKING

The security created pursuant to this Deed is created for the purpose of securing further advances. The obligation on the part of any Bibby Company to make funds available to the Chargor (including any obligation to make further advances) under any Finance Document (subject to the terms of such Finance Document) shall be deemed to be incorporated in this Deed for the purposes of section 94(1)(c) of the Act and section 49(3) of the Land Registration Act 2002. The Chargor hereby applies to the Chief Land Registrar to enter a note of such obligation on each of the titles referred to in clause 34.1 (*Restriction*).

36. RELEASE

36.1 Obligation to release

Upon the expiry of the Security Period (but not otherwise), the Security Trustee shall, at the request and cost of the Chargor, do all things necessary to release the Security Assets (without recourse or warranty) from the security constituted by this Deed. Such release shall be subject to clause 36.2 (*Reinstatement*).

36.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

36.3 Partial release

The Security Trustee may release any Security Assets from the security created by or pursuant to this Deed at any time and any such release shall not in any way affect, prejudice or invalidate the security created by or pursuant to this Deed over any other Security Assets, any other Security Document or the obligations of the Chargor under this Deed or any other Finance Document.

37. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Security Trustee and the Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Trustee so agrees in writing. A waiver given or

consent granted by the Security Trustee or a Security Beneficiary under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

38. ASSIGNMENT

38.1 Chargor

The Chargor may not assign any of its rights under this Deed.

38.2 Security Trustee

The Security Trustee and any Security Beneficiary may assign or transfer all or any part of its rights under this Deed. The Chargor will, immediately upon being requested to do so by the Security Trustee, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

39. DISCLOSURE OF INFORMATION

The Chargor agrees that any Security Beneficiary may disclose to any other Security Beneficiary and any other person:

39.1 to (or through) whom that Security Beneficiary assigns or transfers (or may potentially assign or transfer) all or any of its rights and obligations under this Deed;

39.2 with (or through) whom that Security Beneficiary enters into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made by reference to, this Deed or the Chargor; or

39.3 to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation,

any information about the Chargor and the Finance Documents as that Security Beneficiary shall consider appropriate.

40. CALCULATIONS AND CERTIFICATES

A certificate of the Security Trustee specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) shall be *prima facie* evidence of such amount against the Chargor in the absence of manifest error.

41. NOTICES

41.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter (but not by e-mail).

41.2 Addresses

The address and fax number of each party to this Deed for any communication or document to be made or delivered under or in connection with this Deed is that identified with the name of the relevant party above or any substitute address or fax number as the Chargor may notify to the Security Trustee (or the Security Trustee may notify to the Chargor if a change is made by the Security Trustee) by not less than five days' notice.

41.3 Delivery

41.3.1 Any communication or document made or delivered by any Security Beneficiary to the Chargor under or in connection with this Deed will be effective:

41.3.1.1 if by way of fax, when received in legible form; or

41.3.1.2 if by way of letter, when it has been left at the relevant address or two days after being deposited in the post postage prepaid in an envelope addressed to it at that address.

41.3.2 Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer identified with the Security Trustee's signature below (or any substitute department or officer as the Security Trustee shall specify for this purpose).

42. WAIVER, MISCELLANEOUS

42.1 No waiver

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee or any other Security Beneficiary, any right, power or privilege under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof, or the exercise of any other power or right.

42.2 Remedies cumulative

The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

43. THIRD PARTY RIGHTS

A person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed. This clause does not affect any right or remedy of any person (including for the avoidance of doubt any Security Beneficiary) which exists, or is available, otherwise than pursuant to that Act.

44. GOVERNING LAW AND JURISDICTION

44.1 This Deed shall be governed by, and construed in accordance with, the laws of England.

44.2 Each of the parties to this Deed irrevocably agrees for the benefit of the Security Trustee that the courts of England shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes which may arise out of, or in connection with, this Deed and, for such purposes, the parties hereto irrevocably submit to the jurisdiction of such courts.

IN WITNESS of which this Deed has been duly executed by the Chargor as a deed and duly executed by the Security Trustee and has been delivered on the date written at the beginning of this Deed.

SCHEDULE 1

The Bibby Companies

Name	Registered number	Registered office and fax number	Bibby Asset Company ("A") or Bibby Debt Company ("D")
Bibby Financial Services Limited	3530461	105 Duke Street, Liverpool L1 5JQ Fax: 0151 794 1085	Neither
Bibby Factors Bedford Limited	4290368	105 Duke Street, Liverpool L1 5JQ Fax: 0151 794 1085	D
Bibby Factors Bristol Limited	3171249	105 Duke Street, Liverpool L1 5JQ Fax: 01454 617575	D
Bibby Factors Leicester Limited	2989348	105 Duke Street, Liverpool L1 5JQ Fax: 0116 251516	D
Bibby Factors Borehamwood Limited	388715	105 Duke Street, Liverpool L1 5JQ Fax: 0151 794 1085	D
Bibby Factors Manchester Limited	4296744	105 Duke Street, Liverpool L1 5JQ Fax: 0161 873 5432	D
Bibby Factors Northeast Limited	3653980	105 Duke Street, Liverpool L1 5JQ Fax: 0191 516 9944	D
Bibby Factors Northwest Limited	557149	105 Duke Street, Liverpool L1 5JQ Fax: 0151 479 7681	D
Bibby Factors Scotland Limited	SC199049	1st Floor, Unit 2 Block B, Kittle Yards Edinburgh Midlothian EH9 1PJ Fax: 0131 662 3201	D
Bibby Factors Slough Limited	2617760	105 Duke Street, Liverpool L1 5JQ Fax: 01753 822220	D

Name	Registered number	Registered office and fax number	Bibby Asset Company ("A") or Bibby Debt Company ("D")
Bibby Factors Sussex Limited	3847904	105 Duke Street, Liverpool L1 5JQ Fax: 01424 200484	D
Bibby Factors Wessex Limited	4918703	105 Duke Street, Liverpool L1 5JQ Fax: 0151 794 1085	D
Bibby Factors Limited	584342	105 Duke Street, Liverpool L1 5JQ Fax: 01295 256333	D
Bibby Factors Yorkshire Limited	4918173	105 Duke Street, Liverpool L1 5JQ Fax: 01274 850582	D
Bibby Asset Finance Limited	4044911	105 Duke Street, Liverpool L1 5JQ Fax: 01923 891233	A
Bibby Management Services Limited	4917962	105 Duke Street, Liverpool L1 5JQ Fax: 0151 794 1085	Neither
Bibby Trade Services Limited	3530463	105 Duke Street, Liverpool L1 5JQ Fax: 01295 267817	A
Bibby Group of Factors Limited	3143108	105 Duke Street, Liverpool L1 5JQ Fax: 0151 794 1085	Neither
Bibby Factors International Limited	4081220	105 Duke Street, Liverpool L1 5JQ Fax: 01295 672952	D
Bibby Invoice Discounting Limited	4105467	105 Duke Street, Liverpool L1 5JQ Fax: 01256 366288	D
Bibby Trade Factors Limited	5303859	105 Duke Street, Liverpool L1 5JQ Fax: 01256 366288	D

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Name	Registered number	Registered office and fax number	Bibby Asset Company ("A") or Bibby Debt Company ("D")
Bibby Leasing Limited	00588708	105 Duke Street, Liverpool L1 5JQ Fax: 01256 366288	A
Bibby Financial Services (Ireland) Limited	419550	Third Floor, Heather House, Heather Road, Sandyford, Dublin 18 Fax: 00 353 436 4597	D

SCHEDULE 2

DETAILS OF SECURITY ASSETS

Part 1 - Property

Registered land		
Address	**County/District/London Borough**	**Title Number**

Unregistered land			
Address	**Document describing the Property**		
	Date	**Document**	**Parties**

Part 2 - Chattels

Description of Chattel (including make and model)	Serial or other number	Year of manufacture	Location	Distinguishing features

Description of Chattel (including make and model)	Serial or other number	Year of manufacture	Location	Distinguishing features

Part 3 - Charged Securities

Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital

Part 4 - Insurances

Insurer	Policy no	Insured risks	Sums payable	Date of policy	Duration of cover

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Initials of Bibby Attorney signatory

EXECUTION PAGE

THE CHARGOR

EXECUTED (but not delivered until the date hereof) as a Deed by **George Birchall Limited** acting by:

) Signature of Director

Director IAN C. BIRCHALL

)Signature of Director/~~Company Secretary~~

Director/~~Secretary~~ GEORGE BIRCHALL

Address: Environment House, Turner Crescent, Loomer Road, Chesterton Newcastle-Under-Lyme, Staffordshire, ST5 7JZ

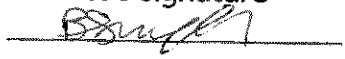
THE SECURITY TRUSTEE

EXECUTED (but not delivered until the date hereof) as a deed by LUKE PASSMORE For Bibby Factors Limited, duly authorised attorney for and on behalf of Bibby Financial Services Limited:-)

Signature of Authorised Signatory of Attorney

In the presence of:

Witness's signature



Witness's Full Name (Please Print)

BEN SMYTHE

Witness's Address:

Packington House
3-4 Horsefair
Banbury
Oxon
~~OX16 0AA~~

Witness's Occupation: TAKE ON COORDINATOR

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