



**Registration of a Charge**

Company Name: **HAYDOCK FINANCE LIMITED**

Company Number: **01526882**



Received for filing in Electronic Format on the: **06/07/2022**

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**Details of Charge**

Date of creation: **05/07/2022**

Charge code: **0152 6882 0192**

Persons entitled: **RBS INVOICE FINANCE LIMITED AS SECURITY AGENT**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **PINSENT MASONS LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 1526882

Charge code: 0152 6882 0192

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th July 2022 and created by HAYDOCK FINANCE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th July 2022 .

Given at Companies House, Cardiff on 8th July 2022

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



**Companies House**



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

**DATED**    **5 July**    **2022**

- (1) HAYDOCK FINANCE LIMITED**
- (2) RBS INVOICE FINANCE LIMITED**

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**CHARGE OVER SHARES**

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**THIS DEED** is made on **5 July** 2022

**BETWEEN:-**

- (1) **HAYDOCK FINANCE LIMITED** (No. 01526882) whose registered office is at Challenge House, Challenge Way, Blackburn, Lancashire BB1 5QB (the "**Chargor**"); and
- (2) **RBS INVOICE FINANCE LIMITED** (No. 00662221) whose registered office is at 250 Bishopsgate, London, England, EC2M 4AA (the "**Security Agent**") as agent and trustee for itself and each of the Secured Parties (as defined below).

**THIS DEED WITNESSES** as follows:-

**1. INTERPRETATION**

**1.1 Definitions**

In this Deed:-

<b>"Account"</b>	means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by the Chargor (or in which the Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts
<b>"Charge"</b>	means all or any of the Security created, or which may at any time be created, by or pursuant to this Deed
<b>"Delegate"</b>	means a delegate or sub-delegate appointed pursuant to Clause 9.4 ( <i>Delegation</i> )
<b>"Derived Assets"</b>	<p>means all Shares, rights or other property of a capital nature which accrue or are offered, issued or paid at any time (by way of bonus, rights, redemption, conversion, exchange, substitution, consolidation, subdivision, preference, warrant, option, purchase or otherwise) in respect of:-</p> <ol style="list-style-type: none"><li>(a) the Original Shares; or</li><li>(b) any Further Shares; or</li><li>(c) any Shares, rights or other property previously accruing, offered, issued or paid as mentioned in this definition</li></ol>
<b>"Dissolution"</b>	of a person includes the bankruptcy, insolvency, liquidation, amalgamation, reconstruction, reorganisation, administration, administrative or other receivership, or dissolution of that person, and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction, and any step taken (including, but without limitation, the presentation of a petition or the passing of a resolution) for or with a view to any of the foregoing
<b>"Dividends"</b>	means all dividends, interest and other income paid or payable in respect of the Original Shares, any Further Shares or any Derived Assets
<b>"Event of Default"</b>	has the meaning given to that term in the Facilities Agreement

<b>"Facilities Agreement"</b>	means the £25,000,000 receivables finance facilities agreement dated on or about the date of this Deed between, among others, Haydock Stock Finance Limited (company number: 14076761), the Agent and the Security Agent as amended, varied, supplemented, extended or replaced from time to time
<b>"Further Shares"</b>	means all Shares (other than the Original Shares and any Shares comprised in any Derived Assets) which the Chargor and the Security Agent may at any time agree shall be subject to the Charge
<b>"LPA"</b>	means the Law of Property Act 1925
<b>"Original Shares"</b>	means the Shares listed in the Schedule
<b>"Proceedings"</b>	means any proceeding, suit or action arising out of or in connection with this Deed
<b>"Receiver"</b>	has the meaning given to such term in the Facilities Agreement
<b>"Rights"</b>	means rights, benefits, powers, privileges, authorities, discretions and remedies (in each case, of any nature whatsoever)
<b>"Secured Assets"</b>	means the Original Shares, any Further Shares, any Derived Assets and any Dividends
<b>"Secured Finance Documents"</b>	has the meaning given to the term "Finance Document" in the Facilities Agreement
<b>"Secured Liabilities"</b>	means all liabilities and obligations owed by the Chargor to the Secured Party or any of them under each or any of the Secured Finance Documents and to the Security Agent under this Deed, in each case whether due, owing or incurred now or in the future, and of any kind, however arising and in any currency, whether or not immediately payable, whether certain or contingent, whether sole or joint, whether as principal or as surety, whether or not the Secured Party in question was the original creditor in respect thereof, and including, without limitation, interest, commission, costs, charges and expenses charged by the Security Agent or any Secured Party at rates agreed between it and the Chargor or, in the absence of express agreement, in accordance with the Security Agent's, or the Secured Party's, normal practice for the time being
<b>"Secured Party"</b>	means the Original Financier (as defined in the Facilities Agreement)
<b>"Shares"</b>	means stocks, shares and other securities of any kind
<b>"UK Financial Collateral Regulations"</b>	means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I.2003/3226) as amended by the Financial Collateral Arrangements (No. 2) Regulations 2003 (Amendment) Regulations 2009 (S.I.2009/2462), the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010 (S.I. 2010/2993), the European Union (Withdrawal) Act 2018 (as amended) and the Financial Markets and Insolvency (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (S.I.2019/341) and "UK Financial Collateral Regulation" means any of them

## 1.2 **Incorporation of terms**

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement shall have the same meanings in this Deed.

## 1.3 **Conflicts**

The parties to this Deed acknowledge if there is any conflict or inconsistency between any provisions of this Deed and any provisions contained within the Facilities Agreement, the provisions of the Facilities Agreement will override and prevail over the terms contained in this Deed.

## 1.4 **Interpretation**

1.4.1 The principles of interpretation set out in clauses 1.1 (*Definitions*) to 1.4 (*Third Party Rights*) of the Facilities Agreement shall apply to this Deed insofar as they are relevant to it.

1.4.2 Unless defined in this Deed, or the context otherwise requires, a term defined in the Facilities Agreement or in any other "**Secured Finance Document**" has the same meaning in this Deed, or any notice given under or in connection with this Deed, as if all references in those defined terms to the Facilities Agreement or other Finance Document were a reference to this Deed or that notice.

## 1.5 **Statutes and headings**

In this Deed:-

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

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

## 1.6 **Clauses and Schedules**

In this Deed references to "**Clauses**" are to the clauses or sub-clauses of this Deed, references to the "**Schedule**" is to the Schedule to this Deed. The Schedule shall be treated as an integral part of this Deed and references to this Deed shall include the Schedule.

## 1.7 **Acknowledgement**

The Chargor acknowledges that the Security Agent enters into this Deed for itself and as trustee for the Secured Party who shall be entitled to the full benefit of this Deed. The perpetuity period for the trusts constituted by this Deed shall be 125 years. The provisions of the Facilities Agreement with respect to the rights, duties and the resignation of the Security Agent shall apply to the Security Agent as if set out in this Deed.

## 2. **COVENANT TO PAY**

The Chargor covenants with the Security Agent to pay and discharge all Secured Liabilities at the time or times when, and in the currency or currencies in which, the same are expressed to be payable under the Secured Finance Documents or, as the case may be, this Deed.

## 3. **CHARGE**

The Chargor, as continuing security for the payment and discharge of all Secured Liabilities, with full title guarantee charges all its Rights, title and interest in and to the Secured Assets by way of first fixed charge in favour of the Security Agent.

4. **COVENANT TO DEPOSIT AND FURTHER ASSURANCES**

4.1 **Original Shares and Further Shares**

The Chargor shall, immediately after the execution of this Deed in the case of the Original Shares, and within five Business Days of each occasion on which the Security Agent and the Chargor agree that any Shares shall become Further Shares, deposit with the Security Agent:-

4.1.1 all share certificates, documents of title and other documentary evidence of ownership in relation to such Shares; and

4.1.2 transfers of such Shares duly executed by the Chargor or its nominee with the name of the transferee left blank or, if the Security Agent so requires, duly executed by the Chargor or its nominee in favour of the Security Agent (or the Security Agent's nominee), and such other documents as the Security Agent may require to enable the Security Agent (or the Security Agent's nominee) or, after the occurrence of an Event of Default, any purchaser to be registered as the owner of, or otherwise to obtain legal title to, such Shares.

4.2 **Derived Assets**

The Chargor shall, within five Business Days of the accrual, offer, issue or payment of any Derived Assets, deliver or pay to the Security Agent or procure the delivery or payment to the Security Agent of:-

4.2.1 all such Derived Assets or the share certificates, renounceable certificates, letters of allotment, documents of title and other documentary evidence of ownership in relation to them; and

4.2.2 transfers of any Shares comprised in such Derived Assets duly executed by the Chargor or its nominee with the name of the transferee left blank or, if the Security Agent so requires, duly executed by the Chargor or its nominee in favour of the Security Agent (or the Security Agent's nominee), and such other documents as the Security Agent may require to enable the Security Agent (or the Security Agent's nominee) or, after the occurrence of an Event of Default, any purchaser to be registered as the owner of, or otherwise to obtain legal title to, the Shares comprised in such Derived Assets.

4.3 **Further Assurances**

In addition to and without prejudice to anything else contained in this Deed, the Chargor shall, at its own cost, promptly execute and do all such deeds, instruments, transfers, renunciations, proxies, notices, documents, assurances, acts and things in such form as the Security Agent may from time to time require:-

4.3.1 for perfecting, preserving or protecting the Charge or the priority of the Charge as per the terms of the Deed of Priority; and

4.3.2 once the Security created by this Deed has become enforceable, for facilitating the realisation of the Secured Assets or the exercise of any Rights vested in the Security Agent or any Receiver by this Deed or by law.

5. **REPRESENTATIONS AND UNDERTAKINGS**

5.1 **General Representations**

The Chargor represents and warrants to the Security Agent that:-

5.1.1 it is the sole beneficial owner of the Secured Assets;

5.1.2 no Security (other than the Charge) exists on, over or with respect to any of the Secured Assets;



- 5.1.3 it has not sold, transferred, lent, assigned, parted with its interest in, disposed of, granted any option in respect of or otherwise dealt with any of its Rights, title and interest in and to the Secured Assets, or agreed to do any of the foregoing (otherwise than pursuant to this Deed);
- 5.1.4 the Original Shares, any Further Shares and any Shares comprised in any Derived Assets are fully paid and there are no moneys or liabilities outstanding in respect of any of the Secured Assets;
- 5.1.5 the Original Shares, any Further Shares and any Shares comprised in any Derived Assets have been duly authorised and validly issued and are free from any restrictions on transfer or rights of pre-emption;
- 5.1.6 it has the power to enter into, and perform and comply with its obligations under, this Deed, and to create the Charge;
- 5.1.7 all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) in order to:-
  - (a) enable it lawfully to enter into, and perform and comply with its obligations under, this Deed;
  - (b) ensure that those obligations are valid, legal, binding and enforceable;
  - (c) permit the creation of the Charge and ensure that (subject to all necessary registrations thereof being made) the Charge is a valid, legal, binding and enforceable first fixed charge over the Secured Assets ranking in priority to the interests of any liquidator, administrator or creditor of the Chargor, and
  - (d) make this Deed admissible in evidence in the courts of England,have been taken, fulfilled and done;
- 5.1.8 the obligations of the Chargor under this Deed and (subject to all necessary registrations thereof being made) the Charge are and will be until fully discharged valid, legal, binding and enforceable and the Charge constitutes a first fixed charge over the Secured Assets ranking in priority to the interests of any liquidator, administrator or creditor of the Chargor; and
- 5.1.9 each of the above representations and warranties will be correct and complied with in all respects at all times during the continuance of the Charge as if repeated then by reference to the then existing circumstances.

## 5.2 **General Undertakings**

The Chargor shall:-

- 5.2.1 not create, attempt to create or permit to subsist any Security (other than the Charge) on, over or with respect to any of the Secured Assets;
- 5.2.2 not sell, transfer, lend, assign, part with its interest in, dispose of, grant any option in respect of or otherwise deal with any of its Rights, title and interest in and to the Secured Assets, or agreed to do any of the foregoing (otherwise than pursuant to this Deed);
- 5.2.3 not take or omit to take any action which act or omission could adversely affect or diminish the value of any of the Secured Assets;
- 5.2.4 ensure that there are no moneys or liabilities outstanding in respect of any of the Secured Assets;

- 5.2.5 ensure that the Original Shares, any Further Shares and any Shares comprised in any Derived Assets are free from any restriction on transfer or rights of pre-emption;
- 5.2.6 take all action within its power to procure, maintain in effect and comply with all the terms and conditions of all approvals, authorisations, consents and registrations necessary or appropriate for anything provided for on its part in this Deed;
- 5.2.7 ensure that the Charge will at all times be a legally valid and binding first fixed charge over the Secured Assets ranking in priority to the interests of any liquidator, administrator or creditor of the Chargor;
- 5.2.8 without prejudice to Clause 5.2.4 (*General Undertakings*), punctually pay all calls, subscription moneys and other moneys payable on or in respect of any of the Secured Assets and indemnify and keep indemnified the Security Agent and its nominees against any cost, liabilities or expenses which it or they may suffer or incur as a result of any failure by the Chargor to pay the same;
- 5.2.9 deliver to the Security Agent a copy of every circular, notice, report, set of accounts or other document received by the Chargor in respect of or in connection with any of the Secured Assets forthwith upon receipt by the Chargor of such document;
- 5.2.10 promptly deliver to the Security Agent all such information concerning the Secured Assets as the Security Agent may request from time to time; and
- 5.2.11 not nominate another person to enjoy or exercise all or any specified rights of the Chargor in relation to the Secured Assets as contemplated by the Companies Act 2006 or otherwise.

## **6. ENFORCEMENT OF SECURITY**

### **6.1 Rights before enforcement**

Until the Charge has become enforceable, the Chargor shall be entitled to:-

- 6.1.1 receive and retain free from the Charge any Dividends paid to it as permitted under the terms of the Facilities Agreement; and
- 6.1.2 exercise and control the exercise of all voting and other Rights relating to the Secured Assets.

### **6.2 Charge shall become enforceable**

The Charge shall be enforceable upon and at any time after the occurrence of an Event of Default which is continuing. At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargor) do all or any of the following:-

- 6.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed;
- 6.2.2 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the UK Financial Collateral Regulations, appropriate all or any part of the Secured Assets in or

towards satisfaction of the Secured Liabilities (including transferring the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of UK Financial Collateral Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as the Security Agent shall determine in a commercially reasonable manner; and

6.2.3 subject to Clause 6.5.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets.

6.3 **Section 101 LPA**

The powers conferred by section 101 of the LPA, as varied and extended by this Deed, shall be deemed to have arisen on the execution of this Deed.

6.4 **Section 93, 103 and 109(1) LPA**

Sections 93, 103 and 109(1) of the LPA shall not apply to this Deed.

6.5 **Receivers**

6.5.1 **Method of appointment or removal**

Every appointment or removal of a Receiver, any Delegate or any other person by the Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

6.5.2 **Removal**

The Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which they are the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

6.5.3 **Powers**

Every Receiver shall have and be entitled to exercise all the powers:-

- (a) of the Security Agent under this Deed;
- (b) conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);
- (c) in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- (d) in relation to any Secured Assets, which they would have if they were the only beneficial owner; and
- (e) to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

6.5.4 **Receiver as agent**

The Receiver shall be the agent of the Chargor (and the Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until the Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Security Agent.

**6.5.5 Joint or several**

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

**6.5.6 Receiver's remuneration**

Every Receiver shall be entitled to remuneration for their services at a rate to be fixed by the Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

**7. DEALINGS WITH SECURED ASSETS ON ENFORCEMENT**

**7.1 Rights of Security Agent**

At any time after the Charge has become enforceable, the Security Agent or any Receiver shall have the right, without any notice to, or consent of, the Chargor:-

**7.1.1 Possession**

to take possession of, collect and get in the Secured Assets, and in particular to take any steps necessary to vest all or any of the Secured Assets in the name of the Security Agent, the Receiver or its nominee (including completing any transfers of any Shares comprised in the Secured Assets) and to receive and retain any Dividends;

**7.1.2 Sell**

to sell, exchange, convert into money or otherwise dispose of or realise the Secured Assets (whether by public offer or private contract) to any person and for such consideration (whether comprising cash, debentures or other obligations, Shares or other valuable consideration of any kind) and on such terms (whether payable or deliverable in a lump sum or by instalments) as it may think fit, and for this purpose to complete any transfers of the Secured Assets;

**7.1.3 Voting Rights**

for the purpose of preserving the value of the Charge, or realising the same, to exercise or direct the exercise of all voting and other Rights relating to the Secured Assets in such manner as it may think fit;

**7.1.4 Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands relating in any way to the Secured Assets;

**7.1.5 Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Secured Assets; and

**7.1.6 Other Rights**

to do all such other acts and things it may consider necessary or expedient for the realisation of the Secured Assets or incidental to the exercise of any of the Rights

conferred on it under or in connection with this Deed or the LPA and to concur in the doing of anything which it has the Right to do and to do any such thing jointly with any other person.

## **7.2 Obligations of Chargor**

After the Charge has become enforceable:-

7.2.1 all Dividends shall be paid to and retained by the Security Agent (or the Receiver if one has been appointed), and any such moneys which may be received by the Chargor shall, pending such payment, be segregated from any other property of the Chargor and held in trust for the Security Agent (or the Receiver if one has been appointed); and

7.2.2 the Chargor shall procure that all voting and other Rights relating to the Secured Assets are exercised in accordance with such instructions (if any) as may from time to time be given to the Chargor by the Security Agent (or the Receiver if one has been appointed), and the Chargor shall deliver to the Security Agent (or the Receiver if one has been appointed) such forms of proxy or other appropriate forms of authorisation to enable the Security Agent (or the Receiver if one has been appointed) to exercise such voting and other Rights.

## **8. APPLICATION OF MONEYS**

All moneys arising from the exercise of the powers of enforcement under this Deed shall (except as may be otherwise required by applicable law) be held and applied in the following order of priority (but without prejudice to the right of the Security Agent to recover any shortfall from the Chargor):-

- 8.1 in satisfaction of all costs, charges and expenses incurred, and payments made, by the Security Agent as agent for the Secured Party and/or as trustee in relation to the Security Documents or by any Receiver (including, without limitation, legal expenses);
- 8.2 in or towards the payment or discharge of such of the Secured Liabilities in such order as the Security Agent in its absolute discretion may from time to time determine; and
- 8.3 after all the Secured Liabilities have been paid or discharged in full, in payment of any surplus to the Chargor or other person entitled to it.

## **9. GENERAL RIGHTS OF THE SECURITY AGENT AND RECEIVER**

### **9.1 Redemption of Security**

The Security Agent (or the Receiver if one has been appointed) may at any time redeem any Security over the Secured Assets having priority to the Charge or procure the transfer thereof to the Security Agent and may settle the accounts of encumbrancers. Any accounts so settled shall be conclusive and binding on the Chargor. The Chargor shall on demand pay to the Security Agent (or the Receiver if one has been appointed) all principal moneys, interest, costs, charges, losses, liabilities and expenses of and incidental to any such redemption or transfer.

### **9.2 Suspense Account**

The Security Agent may, for as long as any of the Secured Liabilities for which any other person may be liable as principal debtor or as co-surety with the Chargor have not been paid or discharged in full, at its sole discretion, place and retain on a suspense account, for as long as it considers fit, any moneys received, recovered or realised under or in connection with this Deed to the extent of such Secured Liabilities without any obligation on the part of the Security Agent to apply the same in or towards the discharge of such Secured Liabilities.

### 9.3 **New Account**

At any time following:-

9.3.1 the Security Agent receiving notice (either actual or constructive) of any subsequent Security affecting the Secured Assets; or

9.3.2 the Dissolution of the Chargor,

the Security Agent may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).

If the Security Agent does not open such a new account, it shall nevertheless be treated as if it had done so at the time when the notice was received or was deemed to have been received or, as the case may be, the Dissolution commenced. Thereafter, all payments made by the Chargor to the Security Agent or received by the Security Agent for the account of the Chargor shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Deed at the time when the Security Agent received or was deemed to have received such notice or, as the case may be, the Dissolution commenced.

### 9.4 **Delegation**

The Security Agent (or the Receiver if one has been appointed) may delegate in any manner to any person any of the Rights which are for the time being exercisable by the Security Agent (or the Receiver if one has been appointed) under this Deed. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent may think fit.

### 9.5 **Set-off by the Security Agent**

In addition to any general lien, right to combine accounts, right to set-off or other right which it may at any time have the Security Agent and each Secured Party may at any time, without notice to the Chargor and without prejudice to any of the Security Agent's and each Secured Party's other Rights, combine or consolidate all or any accounts which it then has in relation to the Chargor (in whatever name) and any Secured Liabilities owed by the Chargor to the Security Agent or that Secured Party and/or set off any Secured Liabilities which are due and unpaid against any obligation (whether or not matured) owed by the Security Agent to the Chargor, regardless of the place of payment or booking branch, and for that purpose the Security Agent may convert one currency into another at the rate of exchange determined by the Security Agent in its absolute discretion to be prevailing at the date of set-off.

## 10. **LIABILITY OF SECURITY AGENT, DELEGATES AND NOMINEES**

### 10.1 **Possession**

If the Security Agent or any Delegate shall take possession of the Secured Assets, it may at any time relinquish such possession.

### 10.2 **No Liability**

None of the Security Agent, any Receiver or any of their respective officers, employees or delegates shall in any circumstances (whether by reason of taking possession of the Secured Assets or for any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever):-

10.2.1 be liable to account to the Chargor or any other person for anything except their own actual receipts; or

10.2.2 be liable to the Chargor or any other person for any costs, charges, losses, damages, liabilities or expenses arising from any realisation of the Secured Assets or from any

exercise or non-exercise of any Right conferred upon it in relation to the Secured Assets or from any act, default, omission or misconduct by them, their officers, employees or agents in relation to the Secured Assets.

**10.3 Delegate's and Nominee's Liability**

All the provisions of Clause 10.2 (*No Liability*) shall apply, mutatis mutandis, in respect of the liability of any Delegate or nominee of the Security Agent, any Receiver or any of their respective officers, employees or agents.

**10.4 Indemnity**

The Security Agent (or the Receiver if one has been appointed) and every Delegate, attorney, manager, agent or other person appointed by the Security Agent hereunder shall be entitled to be indemnified out of the Secured Assets in respect of all liabilities and expenses incurred by any of them in the execution or purported execution of any of its Rights and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in anyway relating to the Secured Assets, and the Security Agent (or the Receiver if one has been appointed) and any such Delegate, attorney, manager, agent or other person appointed by the Security Agent (or the Receiver if one has been appointed) hereunder may retain and pay all sums in respect of the same out of any moneys received.

**11. PROTECTION OF THIRD PARTIES**

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire whether any event has happened upon which any of the Rights conferred under or in connection with this Deed or any relevant legislation are or may be exercisable, whether any consents, regulations, restrictions or directions relating to such Rights have been obtained or complied with or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such Rights or as to the application of any money borrowed or raised or other proceeds of enforcement. All the protections to purchasers contained in any relevant legislation for the time being in force shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate.

**12. PRESERVATION OF SECURITY**

**12.1 Continuing Security**

The Charge shall be a continuing security for the Secured Liabilities and shall not be satisfied, discharged or affected by any intermediate payment or settlement of account (whether or not any Secured Liabilities remain outstanding thereafter) or any other matter or thing whatsoever.

**12.2 Other Security**

The Charge shall be in addition to and shall not be prejudiced by any other Security or any guarantee or indemnity or other document which the Security Agent may at any time hold for the payment of the Secured Liabilities.

**12.3 Waiver of Defences**

Without prejudice to Clauses 12.1 (*Continuing Security*) and 12.2 (*Other Security*), neither the Charge nor the liability of the Chargor for the Secured Liabilities shall be prejudiced or affected by:-

- 12.3.1 any variation or amendment of, or waiver or release granted under or in connection with, any other Security or any guarantee or indemnity or other document; or
- 12.3.2 time being given, or any other indulgence or concession being granted, by the Security Agent to the Chargor or any other person; or

- 12.3.3 the taking, holding, failure to take or hold, varying, realisation, non-enforcement, non-perfection or release by the Security Agent or any other person of any other Security, or any guarantee or indemnity or other document; or
- 12.3.4 the Dissolution of the Chargor or any other person; or
- 12.3.5 any change in the constitution of the Chargor; or
- 12.3.6 any amalgamation, merger or reconstruction that may be effected by the Security Agent with any other person or any sale or transfer of the whole or any part of the undertaking, property and assets of the Security Agent to any other person; or
- 12.3.7 the existence of any claim, set-off or other right which the Chargor may have at any time against the Security Agent or any other person; or
- 12.3.8 the making or absence of any demand for payment of any Secured Liability on the Chargor or any other person, whether by the Security Agent or any other person; or
- 12.3.9 any arrangement or compromise entered into by the Security Agent with the Chargor or any other person; or
- 12.3.10 any other thing done or omitted or neglected to be done by the Security Agent or any other person or any other dealing, fact, matter or thing which, but for this provision, might operate to prejudice or affect the liability of the Chargor for the Secured Liabilities.

### 13. **RELEASE OF SECURED ASSETS**

#### 13.1 **Release of Secured Assets**

If:-

- 13.1.1 all Secured Liabilities have been paid or discharged in full; or
- 13.1.2 the Security or a guarantee for the Secured Liabilities, in each case acceptable to the Security Agent, has been provided in substitution for this Deed,

then, subject to Clause 13.2 (*Retention of Deed*), the Security Agent shall at the request and cost of the Chargor execute such deeds and do all such acts and things as may be necessary to release the Secured Assets from the Charge.

#### 13.2 **Retention of Deed**

If the Chargor requests the Security Agent to release the Secured Assets from the Charge following any payment or discharge made or Security or guarantee given in relation to the Secured Liabilities by a person other than the Chargor (a "**Relevant Transaction**"), the Security Agent shall be entitled to retain this Deed (and all stock and share certificates, transfers, documents of title and other documentary evidence of ownership in relation to the Secured Assets deposited with the Security Agent pursuant to this Deed) and shall not be obliged to release the Secured Assets from the Charge until the expiry of the Retention Period in relation to that Relevant Transaction. If at any time before the expiry of that Retention Period the Dissolution of such other person shall have commenced, the Security Agent may continue to retain this Deed (and all such stock and share certificates, transfers, documents of title and documentary evidence) and shall not be obliged to release the Secured Assets from the Charge for such further period as the Security Agent may determine.



13.3 **Retention Period**

For the purpose of Clause 13.2 (*Retention of Deed*) "**Retention Period**" means, in relation to any Relevant Transaction, the period which commences on the date when that Relevant Transaction was made or given, and which ends on the date falling one month after the expiration of the maximum period within which that Relevant Transaction can be avoided, reduced or invalidated by virtue of any applicable law or for any other reason whatsoever.

14. **POWER OF ATTORNEY**

14.1 **Appointment**

The Chargor hereby appoints, irrevocably and by way of security, (i) the Security Agent (whether or not a Receiver has been appointed), (ii) any delegate of the Security Agent, (iii) (as a separate appointment) each Receiver, and (iv) any person nominated in writing by the Security Agent as attorney of the Chargor severally to be the attorney of the Chargor (with full powers of substitution and delegation), on its behalf and in its name or otherwise, at such time and in such manner as the attorney may think fit:-

14.1.1 to do anything which the Chargor is or may be obliged to do (but has not done) under this Deed including, but without limitation, to complete and execute any transfer of Shares; and

14.1.2 generally to exercise all or any of the Rights conferred on the Security Agent in relation to the Secured Assets or under or in connection with this Deed or any relevant legislation.

14.2 **Ratification**

The Chargor covenants to ratify and confirm whatever any attorney shall do or purport to do in the exercise or purported exercise of the power of attorney in Clause 14.1 (*Appointment*).

15. **CURRENCY INDEMNITY**

15.1 **Currency Indemnity**

If, under any applicable law, whether pursuant to a judgment against the Chargor or the Dissolution of the Chargor or for any other reason, any payment under or in connection with this Deed is made or falls to be satisfied in a currency (the "**Other Currency**") other than the currency in which the relevant payment is expressed to be payable (the "**Required Currency**"), then, to the extent that the payment actually received by the Security Agent (when converted into the Required Currency at the Rate of Exchange on the date of payment or, if it is not practicable for the Security Agent to make the conversion on that date, at the Rate of Exchange as soon afterwards as it is practicable for the Security Agent to do so or, in the case of a Dissolution, at the Rate of Exchange on the latest date permitted by applicable law for the determination of liabilities in such Dissolution) falls short of the amount expressed to be due or payable under or in connection with this Deed, the Chargor shall, as an original and independent obligation under this Deed, indemnify and hold the Security Agent harmless against the amount of such shortfall.

15.2 **Rate of Exchange**

For the purpose of Clause 15.1 (*Currency Indemnity*) "**Rate of Exchange**" means the rate at which the Security Agent is able on the relevant date to purchase the Required Currency with the Other Currency and shall take into account any commission, premium and other costs of exchange and taxes payable in connection with such purchase.

16. **CERTIFICATE TO BE CONCLUSIVE EVIDENCE**

For all purposes, including any Proceedings, a copy of a certificate signed by an officer of the Security Agent as to the amount of any indebtedness comprised in the Secured Liabilities for the time being shall, in the absence of manifest error, be conclusive evidence against the Chargor as to the amount thereof.

17. **COSTS AND EXPENSES**

The Chargor shall indemnify the Security Agent and any Receiver on demand against all costs, charges, losses, liabilities, expenses and other sums (including legal, accountants' and other professional fees) and any taxes thereon expended, paid, incurred or debited on account by the Security Agent and any Receiver in relation to this Deed, and/or any other document referred to in this Deed, including, without prejudice to the generality of the foregoing:-

- 17.1 in connection with the negotiation, preparation, execution, stamping, filing, registration and perfection of this Deed;
- 17.2 in connection with the granting of any waiver or consent sought by the Chargor or in connection with any variation, amendment, extension or modification of, or supplement to, this Deed;
- 17.3 in enforcing, protecting, preserving or realising, or attempting to enforce, protect, preserve or realise, the Security Agent's Rights under this Deed; and
- 17.4 in connection with or contemplation of any Proceedings or the recovery or attempted recovery of any Secured Liabilities.

18. **STAMP DUTY**

The Chargor shall pay promptly, and in any event before any penalty becomes payable, all stamp, documentary and similar taxes, if any, payable in connection with the entry into, performance, enforcement or admissibility in evidence of this Deed or any other document referred to in this Deed, and shall indemnify the Security Agent against any liability with respect to, or resulting from any delay in paying or omission to pay, any such tax.

19. **COMMUNICATIONS**

19.1 **Communications to be in Writing**

Any communication given or made under or in connection with the matters contemplated by this Deed shall be in writing.

19.2 **Deemed Delivery**

Any such communication shall be addressed as provided in Clause 19.3 (*Parties' Details*) and, if so addressed, shall be deemed to have been duly given or made as follows:-

- 19.2.1 if sent by personal delivery, upon delivery at the address of the relevant party;
- 19.2.2 if sent by first class post, two Business Days after the date of posting;
- 19.2.3 if sent by email, at the time of sending to the relevant party,

provided that if, in accordance with the above provisions, any such communication would otherwise be deemed to be given or made outside working hours, such communication shall be deemed to be given or made at the start of the next period of working hours.

**19.3 Parties' Details**

The relevant details of each party for the purposes of this Deed, subject to Clause 19.4 (*Change of Details*), are:-

Party	Addressee	Address	Email
Chargor	Lee Pearson	Challenge House, Challenge Way, Blackburn, Lancashire, BB1 5QB	
Security Agent	Larry Dosunmu	ABL Portfolio Management Corporates & Institutions NatWest, 1st Floor, 1 Hardman Boulevard, Manchester, M3 3AQ	

**19.4 Change of Details**

Either party may notify the other party at any time of a change to its details for the purposes of Clause 19.3 (*Parties' details*) provided that such notification shall only be effective on:-

19.4.1 the date specified in the notification as the date on which the change is to take place; or

19.4.2 if no date is specified or the date specified is less than five Business Days after the date on which notice is given, the date falling five Business Days after notice of any such change has been given.

**20. RIGHTS AND WAIVERS****20.1 Delay**

No delay or omission on the part of the Security Agent in exercising any Right provided by law or under this Deed shall impair such Right or operate as a waiver thereof or of any other Right.

**20.2 Single or Partial Exercise**

The single or partial exercise by the Security Agent of any Right provided by law or under this Deed shall not preclude any other or further exercise thereof or the exercise of any other Right.

**20.3 Rights to be Cumulative**

The Rights provided in this Deed are cumulative with, and not exclusive of, any Rights provided by law.

**21. INVALIDITY**

If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither:-

21.1 the legality, validity or enforceability in that jurisdiction of any other provision of this Deed; nor

21.2 the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Deed,

shall be affected or impaired.

**22. ASSIGNMENT BY SECURITY AGENT**

The Security Agent may at any time, without the consent of the Chargor, assign or transfer the whole or, as the case may be, any part of the Security Agent's Rights under this Deed to any

person to whom the whole or any part of any of the Security Agent's rights under the Facilities Agreement shall be assigned or transferred.

23. **MISCELLANEOUS**

23.1 **Contracts (Rights of Third Parties) Act 1999**

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

23.1.2 Notwithstanding any term of any Secured Finance Document, the parties to this Deed and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a party to this Deed.

23.2 **Counterparts**

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

24. **GOVERNING LAW**

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

25. **ENFORCEMENT**

25.1 **Jurisdiction of English Courts**

25.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

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

25.1.3 This Clause 25.1 (*Jurisdiction of English Courts*) is for the benefit of the Secured Parties only. As a result, none of the Secured Parties shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

**EXECUTED AND DELIVERED AS A DEED** by the Chargor and the Security Agent on the date set out at the beginning of this Deed.

**SCHEDULE**

<b>Name of Company</b>	<b>Shares</b>	<b>No. of Shares</b>	<b>Nominal Value</b>	<b>Registered Holder</b>
Haydock Stock Finance Limited	Ordinary	1	£1.00	Haydock Finance Limited

**The Chargor**

**EXECUTED** (but not delivered until )  
the date hereof) **AS A DEED** by )  
**HAYDOCK FINANCE LIMITED** acting by )  
**James Lee Pearson** , a Director, in )  
the presence of:-  
Director

Signature of witness:

Name of witness: **Anna Pearson**

Address:

Occupation: **Programme Manager**

**The Security Agent**

**SIGNED** for and on behalf of )  
**RBS INVOICE FINANCE LIMITED** )

Address: ABL Portfolio Management Corporates & Institutions  
NatWest, 1st Floor, 1 Hardman Boulevard, Manchester,  
M3 3AQ