



Registration of a Charge

Company name: **FLODRIVE HOLDINGS LIMITED**

Company number: **02685691**



X70O5XJC

Received for Electronic Filing: **27/02/2018**

Details of Charge

Date of creation: **26/02/2018**

Charge code: **0268 5691 0374**

Persons entitled: **THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND**

Brief description: **PREMISES AT 62 HIGH STREET, HUCKNALL REGISTERED AT HM LAND
REGISTRY UNDER TITLE NUMBER NT324351**

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:

PAULA WILSON



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2685691

Charge code: 0268 5691 0374

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th February 2018 and created by FLODRIVE HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th February 2018 .

Given at Companies House, Cardiff on 1st March 2018

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATE: 26 February 2018

LEGAL MORTGAGE OVER LAND

Between

FLODRIVE HOLDINGS LIMITED

(as Chargor)

and

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND

(as Lender)

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THIS DEED is made on the 26th day of February 2018

BETWEEN:

- (1) **FLODRIVE HOLDINGS LIMITED**, registered in England and Wales with company number 02685691, whose registered office is situate at 68 Grafton Way, London, United Kingdom, W1T 5DS (the "**Chargor**"); and
- (2) **THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND** of Bow Bells House, 4th Floor, 1 Bread Street, London, EC4M 9BE as lender (the "**Lender**").

WHEREAS:

The Board of Directors of the Chargor is satisfied that the giving of the security contained or provided for in this Deed is in the interests of the Chargor and has passed a resolution to that effect.

NOW IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 In this Deed:

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

"**Borrowers**": means the Chargor and Flodrive Properties Limited (registered in England and Wales with company number 03541557, whose registered office is situate at 68 Grafton Way, London, United Kingdom, W1T 5DS) and "**Borrower**" means any of them.

"**Business Day**": means a day (other than a Saturday or Sunday) on which banks are open for general business in London.

"**Charged Property**": means all the assets of the Chargor which from time to time are the subject of any security created or expressed to be created in favour of the Lender by or pursuant to this Deed.

"**Default Rate**": means 3% per annum above the interest rate specified in the relevant agreement, account arrangement, transaction or engagement under which the relevant Secured Liability has arisen.

"**Delegate**": means any person appointed by the Lender or any Receiver pursuant to clauses 12.2 to 12.4 (*Delegation*) and any person appointed as attorney of the Lender and/or any Receiver or Delegate.

"**Expenses**": means all costs (including legal fees), charges, expenses and damages sustained or incurred by the Lender or any Receiver or Delegate at any time in connection with the Charged Property or the Secured Liabilities or in taking, holding or perfecting this Deed or in protecting, preserving, defending or enforcing the security constituted by this Deed or in exercising any rights, powers or remedies provided by or pursuant to this Deed (including any right or power to make payments on behalf of the Chargor under the terms of this Deed) or by law in each case on a full indemnity basis.

"**Fixtures**": means all fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery from time to time in or on any Mortgaged Property.

“Insurances”: means all of the contracts and policies of insurance or assurance (including all cover notes and slips) effected or maintained from time to time in respect of any Mortgaged Property, Premises and/or Fixtures, together with all moneys, benefits and advantages that may become payable or accrue under them or under any substituted policy.

“Liability Period”: means the period beginning on the date of this Deed and ending on the date on which the Lender is satisfied, acting in good faith, that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

“LPA”: means the Law of Property Act 1925.

“Mortgaged Property”: means any freehold, commonhold or leasehold property the subject of the security constituted by this Deed and references to any **“Mortgaged Property”** shall include references to the whole or any part or parts of it.

“Premises”: means all buildings and erections from time to time situated on or forming part of any Mortgaged Property.

“Receiver”: means a receiver or receiver and manager of the whole or any part or parts of the Charged Property.

“Secured Liabilities”: means all present and future indebtedness, moneys, obligations and liabilities of each Borrower to the Lender, in whatever currency denominated, whether actual or contingent, whether owed jointly or severally or as principal or as surety or in some other capacity and whether or not the Lender was an original party to the relevant transaction and in whatever name or style, including all interest, discount, commission and fees for which each Borrower may be or become liable to the Lender, together with all Expenses and all interest under clause 2.2 (*Interest*).

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

“Tax”: means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“VAT”: means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

Construction

1.2 Any reference in this Deed to:

1.2.1 the **“Lender”**, the **“Chargor”**, any **“Borrower”** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

1.2.2 **“assets”** includes present and future properties, revenues and rights of every description;

1.2.3 **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

1.2.4 a **“person”** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

1.2.5 a **“regulation”** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or

supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and

- 1.2.6 a provision of law is a reference to that provision as amended or re-enacted.
- 1.3 Clause and schedule headings are for ease of reference only.
- 1.4 Any reference in this Deed to a mortgage, charge or assignment of any asset shall be construed so as to include:
 - 1.4.1 all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
 - 1.4.2 the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that asset and all other rights, benefits, claims, contracts, warranties, remedies, security or indemnities in respect of that asset; and
 - 1.4.3 the proceeds of sale of any part of that asset and any other moneys paid or payable in respect of or in connection with that asset.
- 1.5 Any reference in this Deed to “**this Deed**” shall be deemed to be a reference to this Deed as a whole and not limited to the particular clause, schedule or provision in which the relevant reference appears and to this Deed as amended, novated, assigned, supplemented, extended, substituted or restated from time to time and any reference in this Deed to a “**clause**” or a “**schedule**” is, unless otherwise provided, a reference to a clause or a schedule of this Deed.
- 1.6 Unless the context otherwise requires, words denoting the singular number only shall include the plural and vice versa.
- 1.7 Where any provision of this Deed is stated to include one or more things, that shall be by way of example or for the avoidance of doubt only and shall not limit the generality of that provision.
- 1.8 It is intended that this document shall take effect as and be a deed of the Chargor notwithstanding the fact that the Lender may not execute this document as a deed.
- 1.9 Any change in the constitution of the Lender or its absorption of or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way prejudice or affect its rights under this Deed.
- 1.10 The Lender formerly traded under the name of Bristol & West Property Finance.

Third Party Rights

- 1.11 Nothing in this Deed is intended to confer on any person any right to enforce or enjoy the benefit of any provision of this Deed which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

2. COVENANT TO PAY

Covenant to Pay

- 2.1 The Chargor covenants with the Lender that it shall pay, perform and discharge the Secured Liabilities as and when the same fall due for payment, performance or discharge in accordance with their terms or, in the absence of any such express terms, on demand.

Interest

- 2.2 The Chargor covenants with the Lender to pay interest on any amounts due under clause 2.1 (*Covenant to Pay*) from day to day until full discharge (whether before or after judgment,

liquidation, winding-up or administration of the Chargor) at such rate as may from time to time be fixed by the Lender and, if not so fixed, at the Default Rate, on the basis that all such interest will be payable upon such days in each year as the Lender shall from time to time fix and will be compounded with rests on such days in each year in the event of it not being so paid but without prejudice to the right of the Lender to require payment of such interest on demand at any time and provided that, in the case of any Expense, such interest shall accrue and be payable as from the date on which the relevant Expense arose without the necessity for any demand being made for payment.

3. GRANT OF SECURITY

Fixed Charges

- 3.1 The Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Lender by way of a first legal mortgage all of its right, title and interest in and to:
- 3.1.1 the freehold, commonhold and leasehold property specified in schedule 1 (*Details of Real Property*)); and
 - 3.1.2 all Premises and Fixtures now or from time to time in or on that property.
- 3.2 The Chargor, as security for the payment, performance and discharge of all the Secured Liabilities, charges in favour of the Lender by way of first fixed charge all of its right, title and interest in and to the following assets, both present and future:
- 3.2.1 all estates or interests in the freehold, commonhold or leasehold property specified in schedule 1 (*Details of Real Property*) and all Premises and Fixtures in or on that property (to the extent that such property, Premises and Fixtures are not effectively mortgaged under clause 3.1 above);
 - 3.2.2 all contracts, guarantees, appointments, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any letting, development, sale, purchase or the operation of any Mortgaged Property or Premises and all licences held by it to enter upon or use land in respect of or in connection with any Mortgaged Property or Premises and/or to carry on the business carried on upon that land and all agreements relating to that land to which it is a party or otherwise entitled;
 - 3.2.3 where any Mortgaged Property is leasehold property, any right or interest arising by virtue of any enfranchising legislation (including, but not limited to, the Leasehold Reform Act 1967 and the Leasehold Reform Housing and Urban Development Act 1993 but excluding part II of the Landlord and Tenant Act 1954) which confers upon a tenant of property whether individually or collectively with other tenants of that or other properties the right to acquire a new lease of that property or to acquire, or require the acquisition by a nominee of, the freehold or any intermediate reversionary interest in that property;
 - 3.2.4 all amounts owing to it by way of rent, licence fee, service charge, dilapidations, ground rent and/or rent charge in respect of any Mortgaged Property or Premises; and
 - 3.2.5 all Insurances, including all claims, the proceeds of all claims and all returns of premium in connection with Insurances.

4. PERFECTION OF SECURITY

Registration at HM Land Registry

- 4.1 For the purposes of panel 8 of each Form RX1 that may be required to be completed by the Lender in relation to any Mortgaged Property registered or required to be registered at HM Land Registry, the Chargor hereby consents to an application being made by the Lender to the Chief Land Registrar to enter the following restriction in Form P against its title to such Mortgaged Property:

“No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of The Governor and Company of the Bank of Ireland referred to in the charges register or its conveyancer”.

- 4.2 If the title to any of the Mortgaged Property is not registered at HM Land Registry, the Chargor shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of that Mortgaged Property without the prior consent in writing of the Lender.

- 4.3 Whether or not the title to any of the Mortgaged Property is registered at HM Land Registry, in the event that any caution against first registration or any notice (whether agreed or unilateral) is registered against the Chargor's title to any Mortgaged Property, the Chargor shall immediately provide the Lender with full particulars of the circumstances relating to such registration or notice and, if such caution or notice shall have been registered in order to protect a purported interest the creation of which is not permitted under this Deed, the Chargor shall immediately and at its own expense take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

Further Advances

- 4.4 The Lender covenants with the Chargor that it shall perform its obligations to make advances under any agreement to which it and the Borrowers are party (including any obligation to make available further advances).

Acquisition of New Land

- 4.5 In relation to any freehold, commonhold or leasehold property which is acquired by or on behalf of the Chargor after the date of this Deed and which is neighbouring on or in the vicinity of, and is to be used for the amenity of, any Mortgaged Property:

4.5.1 if the title to any such property is registered at HM Land Registry, the Chargor shall immediately apply to be registered as the proprietor of the registered estate acquired (or procure that such application is made on its behalf) and (for the purposes of panel 11 of Form AN1) hereby consents to an application being made by the Lender to the Chief Land Registrar for the registration of an agreed notice in Form AN1 to protect this Deed against its title to that property;

4.5.2 if the title to any such property is required to be registered at HM Land Registry under the provisions of the Land Registration Act 2002, the Chargor shall immediately apply for first registration of the estate acquired in Form FR1 (or procure that such application is made on its behalf) and shall disclose or procure that the existence of this Deed is disclosed to HM Land Registry either in the Form DL accompanying such application or in panel 12 of Form FR1; and

- 4.5.3 if the title to any such property represents the transfer of either part of a commonhold unit or part of the common parts of land registered as a freehold estate in commonhold land under the Commonhold and Leasehold Reform Act 2002, the Chargor shall also procure that the application to register the transfer is accompanied by an application in Form CM3 to register the commonhold community statement that has been amended in relation to the transfer as required by Rule 15 or, as the case may be, Rule 16 of the Commonhold (Land Registration) Rules 2004,

and, in each such case, the Chargor shall, immediately after registration of it as the proprietor of the relevant registered estate, provide the Lender with an official copy of the register recording the same.

Notices of Charge

- 4.6 The Chargor shall, promptly upon the request of the Lender from time to time, give or join the Lender in giving a notice of charge in such form as the Lender may reasonably require to the relevant counterparty, insurer or other third party (as the case may be) in respect of any asset which is charged pursuant to clause 3.2 above.
- 4.7 Each such notice shall be duly signed by or on behalf of the Chargor and the Chargor shall use all reasonable endeavours to procure that each person on whom any such notice is served promptly provides to the Lender a duly signed acknowledgement of that notice in such form as the Lender may reasonably require.

Deposit of Documents of Title

- 4.8 The Chargor shall promptly deposit with the Lender (unless already held by its solicitors on behalf of and to the Lender's order or at HM Land Registry for the purpose of registration of the security constituted by this Deed) all deeds, certificates and other documents of title from time to time relating to the Charged Property and shall promptly, upon the request of the Lender from time to time, deliver to Lender all such other documents relating to the Charged Property as the Lender may reasonably require.

5. FURTHER ASSURANCE

Further Assurance

- 5.1 The Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Lender or any Receiver may reasonably specify (and in such form as the Lender or any Receiver may reasonably require in favour of the Lender or its nominee(s)) to:
- 5.1.1 perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Chargor of a mortgage, charge, assignment or other Security over all or any of the assets forming part of, or which are intended to form part of, the Charged Property);
- 5.1.2 facilitate the exercise of any rights, powers and remedies of the Lender or any Receiver or Delegate provided by or pursuant to this Deed or by law; and/or
- 5.1.3 facilitate the realisation of the assets which form part of, or are intended to form part of, the Charged Property.

Necessary Action

- 5.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Lender by or pursuant to this Deed.

Execution of Legal Mortgage of New Land

- 5.3 The Chargor shall immediately notify the Lender of any acquisition by it of any freehold, commonhold or leasehold property which is neighbouring on or in the vicinity of, and is to be used for the amenity of, any Mortgaged Property or of any agreement entered into by it or of which it has the benefit for the acquisition of any such property.
- 5.4 Without prejudice to the generality of clause 5.1 (*Further Assurance*), the Chargor shall, on demand made to it by the Lender, execute, in such form as the Lender may reasonably specify, a legal mortgage in favour of the Lender of all of its right, title and interest in and to any freehold, commonhold or leasehold property which is neighbouring on or in the vicinity of, and is to be used for the amenity of, any Mortgaged Property and which becomes vested in it after the date of this Deed.

Implied Covenants for Title

- 5.5 Each of the mortgages and charges granted by the Chargor under this Deed are granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, save that the covenants set out in section 2(1)(a), section 3 and section 4 of that Act shall extend to the Chargor without, in each case, the benefit of section 6(2) of that Act.

6. REPRESENTATIONS

General

- 6.1 The Chargor makes the representations and warranties set out in this clause 6 to the Lender on the date of this Deed.

Status

- 6.2 It is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation and it has the power to own its assets and carry on its business as it is being conducted.

Binding Obligations

- 6.3 The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations and (without limiting the generality of the foregoing) this Deed creates the security which it purports to create and that security is valid and effective.

Power and Authority

- 6.4 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- 6.5 No limit on its powers will be exceeded as a result of the grant of security contemplated by this Deed.

Non-conflict with Other Obligations

- 6.6 The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the security under this Deed do not and will not conflict with:
- 6.6.1 any law or regulation applicable to it;
 - 6.6.2 its constitutional documents; or
 - 6.6.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument,
- nor (except as provided in this Deed) result in the existence or imposition of, or oblige it to create, any Security in favour of any person over all or any of its assets.

Insolvency and Centre of Main Interests and Establishments

- 6.7 No corporate action, legal proceeding or other procedure or step in relation to:
- 6.7.1 the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);
 - 6.7.2 a composition, compromise, assignment or arrangement with any creditor; or
 - 6.7.3 the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer,
- (or any analogous procedure or step in any jurisdiction) has been taken or, to its knowledge, threatened in relation to it or any of its assets.
- 6.8 No expropriation, attachment, sequestration, distress or execution (or any analogous process in any jurisdiction) affecting any of its assets has been taken or, to its knowledge, threatened in relation to it.
- 6.9 It is not unable and has not admitted its inability to pay its debts as they fall due (and has not been deemed to or declared to be unable to pay its debts under applicable law) and it has not suspended or threatened to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness and the value of its assets is not less than its liabilities (taking into account contingent and prospective liabilities).
- 6.10 For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the “**Regulation**”), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in Its jurisdiction of incorporation and it has no “**establishment**” (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

Validity and Admissibility in Evidence

- 6.11 All Authorisations required or desirable to:
- 6.11.1 enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed;
 - 6.11.2 make this Deed admissible in evidence in its jurisdiction of incorporation; and
 - 6.11.3 enable it to create any security expressed to be created by it by or pursuant to, or, as the case may be, any security expressed to have been created by it and to be evidenced in,

this Deed and to ensure that such security has the priority and ranking it is expressed to have,

have been obtained or effected and are in full force and effect.

Governing Law and Enforcement

- 6.12 The choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.
- 6.13 Any judgment obtained in the courts of England in relation to this Deed (or, in the case that this Deed confers jurisdiction to settle disputes on any other courts, any judgment obtained in those other courts) will be recognised and enforced in its jurisdiction of incorporation.
- 6.14 It has entered into this Deed for private, commercial purposes and, in any proceedings taken in its jurisdiction of incorporation in relation to this Deed, it will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

No Filing or Stamp Taxes

- 6.15 Under the law of its jurisdiction of incorporation it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed, except:
 - 6.15.1 registration of a certified copy of this Deed at Companies House under section 859A of the Companies Act 2006 and payment of associated fees; and
 - 6.15.2 registration of this Deed at the Land Registry or Land Charges Registry in England and Wales and payment of associated fees,which registrations and fees will be made and paid promptly after the date of this Deed.

Creation of Security

- 6.16 This Deed creates or, as applicable, evidences in favour of the Lender the security which it purports to create or evidence with the ranking and priority which it is expressed to have.
- 6.17 Without limiting clause 6.16 above, its payment obligations under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

Good Title to Assets

- 6.18 It has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as it is being conducted.
- 6.19 It is the sole legal and beneficial owner of the assets over which it purports to grant security under this Deed.

Continuing Representations

- 6.20 The Chargor undertakes with the Lender that the representations and warranties in this clause 6 will be true and accurate throughout the continuance of this Deed by reference to the facts and circumstances existing from time to time.

7. GENERAL UNDERTAKINGS

General

- 7.1 The undertakings in this clause 7 remain in force from the date of this Deed for so long as any amount is outstanding under this Deed.

Negative Pledge

- 7.2 The Chargor shall not create or extend or permit to arise or subsist any Security (other than any Security constituted by this Deed) over the whole or any part of the Charged Property other than with the prior written consent of the Lender.

Restriction on Disposals

- 7.3 The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of the whole or any part of the Charged Property, other than as permitted under this Deed or with the prior consent of the Lender.

Not Jeopardise Security

- 7.4 The Chargor shall not do or cause or permit to be done anything which might in any way depreciate, jeopardise or otherwise prejudice the value to the Lender of the security constituted or intended to be constituted by this Deed.

8. ENFORCEMENT OF SECURITY

When Security becomes Enforceable

- 8.1 The security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by section 101 of the LPA, as varied or extended by this Deed, shall be immediately exercisable upon and at any time after a notice by the Lender demanding payment, performance and/or discharge of any of the Secured Liabilities shall have been served by the Lender on the Chargor.
- 8.2 After the security constituted by this Deed has become enforceable, the Lender may in its absolute discretion enforce all or any part of that security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property.

Redemption of Prior Mortgages

- 8.3 At any time after the security constituted by this Deed has become enforceable, the Lender or any Receiver may:
- 8.3.1 redeem any prior Security over any Charged Property; or
 - 8.3.2 procure the transfer of that Security to the Lender; or
 - 8.3.3 settle and pass the accounts of the person or persons entitled to such Security (and any accounts so settled and passed shall be conclusive and binding on the Chargor).
- 8.4 All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption or transfer shall be paid by the Chargor to the Lender and every Receiver on demand and shall be secured by this Deed.

9. EXTENSION AND VARIATION OF THE LPA

General

- 9.1 For the purposes of all powers implied by the LPA, such powers shall arise (and the Secured Liabilities shall be deemed to have become due and payable for that purpose) on the date of this Deed.
- 9.2 Section 103 of the LPA (restricting the power of sale) and section 93 of the LPA (restricting the right of consolidation) shall not apply to the security constituted by this Deed.
- 9.3 The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender and any Receiver at any time after the security constituted by this Deed has become enforceable to make any lease or agreement for lease, accept surrenders of leases and/or grant options on such terms as it or he shall think fit, without the need to comply with any restrictions imposed by sections 99 and 100 of the LPA.

Privileges

- 9.4 Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.

10. APPOINTMENT OF RECEIVER

Appointment

- 10.1 At any time after the security constituted by this Deed has become enforceable or if the Chargor so requests the Lender in writing (in which case the security constituted by this Deed shall become immediately enforceable), the Lender may without prior notice to the Chargor appoint free from the restrictions imposed by section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Lender had become entitled under the LPA to exercise the power of sale conferred under the LPA.

Removal

- 10.2 The Lender may by writing under its hand (or by an application to the court where required by law):
- 10.2.1 remove any Receiver appointed by it; and
- 10.2.2 appoint, whenever it deems it expedient, any one or more persons to be a new Receiver in the place of or in addition to any Receiver.

Statutory Powers of Appointment

- 10.3 The powers of appointment of a Receiver conferred by this Deed shall be in addition to all statutory and other powers of appointment of the Lender under the LPA (as extended by this Deed) or otherwise and such powers shall be and remain exercisable from time to time by the Lender in respect of any part or parts of the Charged Property.

Capacity of Receiver

- 10.4 Each Receiver shall be deemed to be the agent of the Chargor for all purposes. The Chargor alone shall be responsible for a Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him.

- 10.5 The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.
- 10.6 If there is more than one Receiver holding office at the same time, each Receiver shall (unless the document appointing him states otherwise) be entitled to act (and to exercise all of the powers conferred on a Receiver under this Deed) individually or together with any other person appointed or substituted as Receiver.

Remuneration of Receiver

- 10.7 The Lender may fix the remuneration of any Receiver appointed by it without any restriction imposed by section 109(6) of the LPA and the remuneration of the Receiver shall be a debt secured by this Deed, which shall be due and payable immediately upon its being paid by the Lender.

11. POWERS OF RECEIVER

General

- 11.1 Each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out below in this clause 11 in addition to those conferred by law.
- 11.2 Without prejudice to the generality of this clause 11, each Receiver shall have all the rights, powers and discretions of an administrative receiver under schedule 1 to the Insolvency Act 1986 whether he falls within the statutory definition of an administrative receiver or not.

Specific Powers

- 11.3 Each Receiver shall have the following powers (and every reference in this clause 11.3 to the “**Charged Property**” shall be read as a reference to that part or parts of the Charged Property in respect of which that Receiver was appointed):

- 11.3.1 power to purchase or acquire land and purchase, acquire or grant any interest in or right over land as he thinks fit;
- 11.3.2 power to take immediate possession of, get in and collect any Charged Property;
- 11.3.3 power to carry on the business of the Chargor as he thinks fit;
- 11.3.4 power (but without any obligation to do so) to:
- (a) make and effect all repairs, alterations, additions and insurances and do all other acts which the Chargor might do in the ordinary conduct of its business as well for the protection as for the improvement of the Charged Property;
 - (b) commence or complete any building operations on the Charged Property;
 - (c) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence in respect of the Charged Property; and
 - (d) negotiate for compensation with any authority which may intend to acquire or be in the process of acquiring all or any part of the Charged Property and make objections to any order for the acquisition of all or any part of the Charged Property and represent the Chargor at any enquiry to be held to consider such objections or otherwise relating to any such acquisition,

in each case as he thinks fit;

- 11.3.5 power to appoint and discharge managers, officers, agents, advisers, accountants, servants, workmen, contractors, surveyors, architects, lawyers and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit and power to discharge any such persons appointed by the Chargor (and the costs incurred by any Receiver in carrying out such acts or doing such things shall be reimbursed to that Receiver by the Chargor on demand and until so reimbursed shall carry interest at the rate specified in clause 2.2 (*Interest*) from the date of payment by the Receiver until reimbursed (after as well as before any judgment));
- 11.3.6 power to raise and borrow money either unsecured or (with the prior consent of the Lender) on the security of any Charged Property either in priority to the security constituted by this Deed or otherwise and generally on any terms and for whatever purpose he thinks fit;
- 11.3.7 power to sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms as he thinks fit;
- 11.3.8 power to sever and sell separately any fixtures from the property containing them without the consent of the Chargor;
- 11.3.9 power to let any Charged Property for any term and at any rent (with or without a premium) as he thinks fit and power to accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender);
- 11.3.10 power to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Charged Property;
- 11.3.11 power to bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Charged Property or in relation to the Chargor which may seem to him to be expedient;
- 11.3.12 power to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Property;
- 11.3.13 power to form a subsidiary of the Chargor and transfer to that subsidiary any Charged Property;
- 11.3.14 power to do all such acts as may seem to him to be necessary or desirable in order to initiate or continue any development of any Charged Property and for these purposes to appoint and to enter into such contracts with such building and engineering contractors or other contractors and professional advisers as he may think fit;
- 11.3.15 power to call any meeting of the members or directors of the Chargor in order to consider such resolutions or other business as he thinks fit;
- 11.3.16 power to exercise in relation to any Charged Property all the powers and rights which he would be capable of exercising if he were the absolute beneficial owner of the same;
- 11.3.17 power to do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and

- 11.3.18 power to exercise any of the above powers in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor.

Lender's Powers

- 11.4 To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) upon a Receiver may after the security constituted by this Deed has become enforceable be exercised by the Lender in relation to any Charged Property, irrespective of whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

12. DISCRETIONS AND DELEGATION

Discretion

- 12.1 Any liberty or power which may be exercised or any determination which may be made under this Deed by the Lender or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

Delegation

- 12.2 Each of the Lender and any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney).
- 12.3 Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver (as the case may be) shall think fit.
- 12.4 Neither the Lender nor any Receiver shall 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 Delegate.

13. POWER OF ATTORNEY

Appointment and Powers

- 13.1 The Chargor, by way of security, irrevocably appoints the Lender, every Receiver and every Delegate severally and independently to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:
- 13.1.1 carrying out any obligation imposed on the Chargor by this Deed; and/or
- 13.1.2 enabling the Lender or any Receiver or Delegate to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on it or him by or pursuant to this Deed or by law (including the exercise of any right of an absolute legal or beneficial owner of the Charged Property).

Ratification

- 13.2 The Chargor shall ratify and confirm whatever any attorney does or purports to do pursuant to its appointment under clause 13.1 (*Appointment and Powers*).

14. PROTECTION OF PURCHASERS

Consideration

- 14.1 The receipt of the Lender or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property (including a disposal by a Receiver or Delegate to any subsidiary of the Chargor) or in making any acquisition in the exercise of their respective powers, the Lender, every Receiver and every Delegate may do so for such consideration, in such manner and on such terms as it or he thinks fit.

Protection of Third Parties

- 14.2 No person (including a purchaser) dealing with the Lender, any Receiver or any Delegate shall be bound to enquire:
- 14.2.1 whether the Secured Liabilities have become payable; or
 - 14.2.2 whether any power which the Lender or any Receiver or Delegate is purporting to exercise has arisen or become exercisable; or
 - 14.2.3 whether any Secured Liabilities remain due to the Lender; or
 - 14.2.4 how any money paid to the Lender or to any Receiver or Delegate is to be applied,
- or shall be concerned with any propriety, regularity or purpose on the part of the Lender or any Receiver or Delegate in such dealings or in the exercise of any such power.

15. APPLICATION OF PROCEEDS

Order of Application

- 15.1 All moneys received or recovered by the Lender, any Receiver or any Delegate pursuant to this Deed, after the security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the LPA) be applied in the following order (but without prejudice to the right of the Lender to recover any shortfall from the Chargor):
- 15.1.1 in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of his rights and powers, including his remuneration, and all outgoings paid by him;
 - 15.1.2 in or towards payment of all other Expenses;
 - 15.1.3 in or towards payment of all other Secured Liabilities or such part of them as is then due and payable to the Lender in such order as the Lender may select; and
 - 15.1.4 in payment of the surplus (if any) to the Chargor or other person entitled to it.
- 15.2 Clause 15.1 (*Order of Application*) will override any appropriation made by the Chargor.

New Accounts

- 15.3 If the Lender at any time receives, or is deemed to have received, notice of any subsequent Security or other interest affecting any Charged Property, the Lender may open a new account with the Chargor.
- 15.4 If the Lender does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, such notice. As from that time all payments made by or on behalf of the Chargor to the Lender shall be credited or be treated as

having been credited to the new account of the Chargor and not as having been applied in reduction of the Secured Liabilities.

Currency Conversion

- 15.5 For the purpose of or pending the discharge of any of the Secured Liabilities, the Lender may (in its absolute discretion) convert any moneys received or recovered by the Lender or any Receiver or Delegate pursuant to this Deed or any moneys subject to application by the Lender or any Receiver or Delegate pursuant to this Deed from one currency to another and any such conversion shall be made at the Lender's spot rate of exchange for the time being for obtaining such other currency with the first currency and the Secured Liabilities shall be discharged only to the extent of the net proceeds of such conversion realised by the Lender. Nothing in this Deed shall require the Lender to make, or shall impose any duty of care on the Lender in respect of, any such currency conversion.

16. NO LIABILITY AS MORTGAGEE IN POSSESSION

- 16.1 Neither the Lender nor any Receiver or Delegate shall in any circumstances (either by reason of entering into or taking possession of any Charged Property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to the Chargor for anything, except actual receipts, or be liable to the Chargor for any costs, charges, losses, liabilities or expenses arising from the realisation of any Charged Property or from any act, default or omission of the Lender, any Receiver, any Delegate or any of their respective officers, agents or employees in relation to the Charged Property or from any exercise or purported exercise or non-exercise by the Lender or any Receiver or Delegate of any power, authority or discretion provided by or pursuant to this Deed or by law or for any other loss of any nature whatsoever in connection with the Charged Property or this Deed.
- 16.2 If the Lender, any Receiver or any Delegate enters into or takes possession of the Charged Property, it or he may at any time relinquish possession.

17. SET-OFF

- 17.1 Without limiting any other rights conferred on the Lender by law or by any other agreements entered into with the Chargor, the Lender may (but shall not be obliged to) set off any matured obligation due from the Chargor under this Deed (to the extent beneficially owned by the Lender) against any obligation (whether matured or not) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If the obligation owed by the Lender is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

18. EFFECTIVENESS OF SECURITY

Continuing Security

- 18.1 The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, unless and until discharged by the Lender, and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

Cumulative Rights

- 18.2 The security constituted by this Deed and all rights, powers and remedies of the Lender provided by or pursuant to this Deed or by law shall be cumulative and in addition to, and independent of, any other Security now or subsequently held by the Lender for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Lender over the whole or any part of the Charged Property shall be superseded by, or supersede or merge into, the security constituted by this Deed.

Reinstatement

- 18.3 If any discharge, release or arrangement (whether in respect of the obligations of any Borrower or any Security for those obligations or otherwise) is made by the Lender in whole or in part on the faith of any payment, Security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor under, the security constituted by this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.
- 18.4 The Lender may concede or compromise any claim that any payment or any discharge is liable to avoidance or restoration.

Waiver of Defences

- 18.5 Neither the obligations of the Chargor under this Deed nor the security constituted by this Deed nor the rights, powers and remedies of the Lender provided by or pursuant to this Deed or by law will be affected by an act, omission, matter or thing which, but for this clause 18.5, would reduce, release or prejudice any of its obligations under this Deed, any of that security or any of those rights, powers and remedies (without limitation and whether or not known to it or the Lender) including:
- 18.5.1 any time, waiver or consent granted to, or composition with, any Borrower or any other person;
 - 18.5.2 the release of any Borrower or any other person under the terms of any composition or arrangement with any creditor;
 - 18.5.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Borrower or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
 - 18.5.4 any incapacity or lack of power, authority or legal personality of, or dissolution or change in the members or status of, a Borrower or any other person;
 - 18.5.5 any amendment, novation, supplement, extension (whether of maturity or otherwise), restatement (in each case, however fundamental and of whatsoever nature and whether or not more onerous) or replacement of any agreement, account arrangement, transaction or engagement entered into between the Lender and any Borrower or any other document or Security including without limitation any change in the purpose of, any extension of or any increase in, any facility or the addition of any new facility under any such agreement, account arrangement, transaction or engagement or any other document or Security;

- 18.5.6 any unenforceability, illegality or invalidity of any obligation of a Borrower or any other person under any agreement, account arrangement, transaction or engagement entered into between the Lender and any Borrower or any other document or Security; or
- 18.5.7 any insolvency or similar proceedings.

Security Intent

- 18.6 Without prejudice to the generality of clause 18.5 (*Waiver of Defences*), the Chargor expressly confirms that it intends that the security constituted by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any facility or amount made available under any agreement, account arrangement, transaction or engagement entered into by a Borrower with the Lender and/or any such agreement, account arrangement, transaction or engagement including, without limitation, any of the same which are for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; and/or any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, together with any fees, costs and/or expenses associated with any of the foregoing.

Immediate Recourse

- 18.7 The Chargor waives any right it may have of first requiring the Lender to proceed against or enforce any other rights or Security or claim payment from any person or file any proof or claim in any insolvency, administration, winding up or liquidation proceedings relating to any person before claiming from it under this Deed. This waiver applies irrespective of any law or any provision of any agreement, account arrangement, transaction or engagement or other document or Security entered into by a Borrower with the Lender to the contrary.

Appropriations

- 18.8 Until all the Secured Liabilities which may be or become payable by the Chargor under or in connection with this Deed have been irrevocably paid, performed and discharged in full, the Lender may:
- 18.8.1 without affecting the liability of the Chargor under this Deed:
- (a) refrain from applying or enforcing any other moneys, Security or rights held or received by it in respect of the Secured Liabilities; or
 - (b) apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to direct the appropriation of any such moneys, Security or rights or to enjoy the benefit of the same; and/or
- 18.8.2 hold in a suspense account any moneys received from the Chargor or on account of the Chargor's liability in respect of the Secured Liabilities. Amounts standing to the credit of any such suspense account shall bear interest at a rate considered by the Lender to be a fair market rate.

Deferral of Chargor's Rights

- 18.9 Until the Secured Liabilities, and all amounts which may be or become due and payable in respect of the Secured Liabilities, have been irrevocably paid, performed or discharged in full and unless the Lender otherwise directs, the Chargor shall not exercise any rights which it may have by

reason of performance by it of its obligations under this Deed or by reason of any Secured Liability being discharged pursuant to this Deed:

- 18.9.1 to be indemnified by a Borrower;
 - 18.9.2 to claim any contribution from any other guarantor of a Borrower's obligations;
 - 18.9.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender;
 - 18.9.4 to bring legal or other proceedings for an order requiring a Borrower to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking, indemnity or security;
 - 18.9.5 to exercise any right of set-off against a Borrower; and/or
 - 18.9.6 to claim or prove as a creditor of a Borrower or in its estate in competition with the Lender.
- 18.10 The rights of the Lender under clause 18.9 above shall be free from any right of quasi-retainer or other rule or principle of fund ascertainment arising either at law or in equity.
- 18.11 If the Chargor receives any benefit, payment or distribution in relation to any rights referred to in clause 18.9 above, it shall hold that benefit, payment or distribution to the extent necessary to enable all the Secured Liabilities, and all amounts which may be or become due and payable in respect of the Secured Liabilities, to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with clause 15.1 (*Order of Application*).

No Security held by Chargor

- 18.12 The Chargor shall not take or receive any Security from a Borrower or any other person in connection with its liability under this Deed. However, if any such Security is so taken or received by the Chargor:
- 18.12.1 it shall be held by the Chargor on trust for the Lender, together with all moneys at any time received or held in respect of such Security, for application in or towards payment and discharge of the Secured Liabilities; and
 - 18.12.2 on demand by the Lender, the Chargor shall promptly transfer, assign or pay to the Lender all Security and all moneys from time to time held on trust by the Chargor under this clause 18.12.

19. PAYMENTS

Manner of Payments

- 19.1 The Chargor shall make all payments required to be made by it under this Deed available to the Lender (unless a contrary indication appears in this Deed) for value on the due date at the time and in such funds specified by the Lender as being customary at the time for settlement of transactions in the relevant currency in the place of payment. Payment shall be made in the currency in which the relevant indebtedness is denominated or, if different, is expressed to be payable and to such account in the principal financial centre of the country of that currency with such bank as the Lender specifies.

No Set-off by Chargor

- 19.2 All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

Tax Gross-Up

- 19.3 The Chargor shall make all payments to be made by it under this Deed without any deduction or withholding for or on account of Tax, unless such a deduction or withholding is required by law. The Chargor, promptly upon becoming aware that it must make such a deduction or withholding (or that there is any change in the rate or the basis of such a deduction or withholding), shall notify the Lender accordingly.
- 19.4 If a deduction or withholding for or on account of Tax from a payment under this Deed is required by law to be made by the Chargor, the amount of the payment due from the Chargor shall be increased to an amount which (after making any such deduction or withholding) leaves an amount equal to the payment which would have been due if no such deduction or withholding had been required.
- 19.5 If the Chargor is required to make a deduction or withholding for or on account of Tax from a payment under this Deed, the Chargor shall make that deduction or withholding and any payment required in connection with that deduction or withholding within the time allowed and in the minimum amount required by law. Within thirty days of making such a deduction or withholding or any payment required in connection with that deduction or withholding, the Chargor shall deliver to the Lender evidence reasonably satisfactory to the Lender that the deduction or withholding has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

20. EXPENSES, STAMP TAXES AND INDEMNITIES

Expenses

- 20.1 The Chargor shall promptly on demand pay to the Lender and each Receiver or Delegate the amount of all costs and expenses (including legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and perfection of this Deed and any other documents referred to in this Deed and in responding to, evaluating, negotiating or complying with any request for an amendment, waiver or consent made by the Chargor in relation to this Deed.
- 20.2 The Chargor shall, within three Business Days of demand, pay to the Lender and each Receiver or Delegate the amount of all costs and expenses (including legal fees) incurred by any of them in connection with the enforcement of, or the defence, protection and/or preservation of, any rights, remedies and powers under this Deed or the security constituted, or intended to be constituted, by this Deed and any proceedings instituted by or against the Lender as a consequence of taking or holding the security constituted, or intended to be constituted, by this Deed or enforcing any such rights, powers and remedies.

Stamp Taxes

- 20.3 The Chargor shall pay, and shall promptly on demand indemnify the Lender and every Receiver or Delegate against any cost, loss or liability any of them incurs in relation to, all stamp duty, registration and similar Taxes payable in connection with the entry into, performance or enforcement, of this Deed, the security constituted by this Deed or any judgment given in connection with this Deed.

General Indemnity

- 20.4 The Chargor shall, notwithstanding the release or discharge of all or any part of the security constituted by this Deed, promptly indemnify the Lender and every Receiver and Delegate against any cost, loss, liability or damage incurred by any of them as a result of:
- 20.4.1 any default or delay by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
 - 20.4.2 the taking, holding, protection or enforcement of the security constituted by this Deed; and
 - 20.4.3 the exercise of any of the rights, powers, discretions and remedies vested in the Lender and each Receiver and Delegate by this Deed or by law in respect of the Charged Property.

Value Added Tax

- 20.5 Any cost or expense referred to in this clause 20 is exclusive of any VAT that might be chargeable in connection with that cost or expense. If any VAT is so chargeable, it shall be paid by the Chargor at the same time as it pays the relevant cost or expense.

21. CERTIFICATES AND DETERMINATIONS

- 21.1 Any certificate or determination by the Lender of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22. PARTIAL INVALIDITY

- 22.1 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 of this Deed nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired and, if any part of the security constituted, or intended to be constituted, by this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

23. REMEDIES AND WAIVERS

- 23.1 No failure to exercise, nor any delay in exercising, on the part of the Lender, any right, remedy or power under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right, remedy or power prevent any further or other exercise or the exercise of any other right, remedy or power. The rights, remedies and powers provided in this Deed are cumulative and not exclusive of any rights, remedies or powers provided by law.
- 23.2 Any amendment, waiver or consent by the Lender under this Deed must be in writing and may be given subject to any conditions thought fit by the Lender. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

24. NOTICES

Communications in writing

- 24.1 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.

Addresses

- 24.2 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of the Chargor and the Lender for any communication or document to be made or delivered under or in connection with this Deed is that identified with its name below:

Flodrive Holdings Limited

Address: 3 Court Lodge, 48 Sloane Square, London SW1W 8AT
Fax Number: 020 7259 9665
For the Attention of: Peter Khalastchi

The Governor and Company of the Bank of Ireland

Address: Bow Bells House, 4th Floor, 1 Bread Street, London, EC4M 9BE
Fax Number: 020 7248 8385
For the Attention of: Rachael Gordon

or any substitute address, fax number or department or officer as the Chargor may notify to the Lender (or the Lender may notify to the Chargor, if a change is made by the Lender) by not less than five Business Days' notice.

Delivery

- 24.3 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

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

24.3.2 if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 24.2 (*Addresses*), if addressed to that department or officer.

- 24.4 Any communication or document to be made or delivered to the Lender will be effective only when actually received by it and then only if it is expressly marked for the attention of the department or officer identified with the Lender's name in clause 24.2 (*Addresses*) (or any substitute department or officer as it shall specify for this purpose).

25. COUNTERPARTS

- 25.1 This Deed may be executed in any number of counterparts and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

26. ASSIGNMENT

- 26.1 The Lender may assign, charge or transfer all or any of its rights under this Deed without the consent of the Chargor. The Lender may disclose any information about the Chargor and this Deed as the Lender shall consider appropriate to any actual or proposed direct or indirect successor or to any person to whom information is required to be disclosed by any applicable law or regulation.

27. RELEASES

- 27.1 Upon the expiry of the Liability Period (but not otherwise) and subject to clauses 18.3 and 18.4 (*Reinstatement*), the Lender shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the security constituted by this Deed.

28. GOVERNING LAW

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

IN WITNESS of which this Deed has been entered into as a deed and is intended to be and is delivered on the day and year first before written.

**SCHEDULE 1
REAL PROPERTY**

Premises at:	County/District	Registered at HM Land Registry under Title No:
62 High Street, Hucknall	Nottinghamshire : Ashfield	NT324351

EXECUTION PAGE

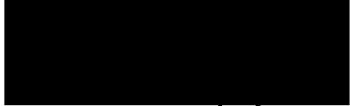
THE CHARGOR

Executed as a deed by)
FLODRIVE HOLDINGS LIMITED)
on being signed by:)
Peter Khalastchi)
in the presence of:)



Director

Signature of witness:



Name:

E. Landrigan

Address:



Occupation:

P.A.

THE LENDER

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND

By:

EXECUTION PAGE

THE CHARGOR

Executed as a deed by)
FLODRIVE HOLDINGS LIMITED)
on being signed by:)
.....) Director
in the presence of:)

Signature of witness:

Name:

Address:

Occupation:

THE LENDER

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND

By: 