

MR01

Particulars of a charge



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A fee is payable with this form  
Please see 'How to pay' on the back

☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is  
an instrument. Use form MR08



A09 22/09/2016 #369  
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

☐ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

<b>1</b>	<b>Company details</b>	For official use
Company number	0 3 3 3 5 5 8 8	<b>Filing in this form</b> Please complete in typescript or in bold black capitals  All fields are mandatory unless specified or indicated by *
Company name in full	THE MATCHING HOLDING COMPANY LIMITED	

<b>2</b>	<b>Charge creation date</b>
Charge creation date	d 1 3 m 0 9 y 2 0 y 1 6

<b>3</b>	<b>Names of persons, security agents or trustees entitled to the charge</b>
Please show the names of each of the persons, security agents or trustees entitled to the charge	
Name	ALAN JONATHAN SIMPSON (as Trustee)
Name	
Name	
Name	
If there are more than four names, please supply any four of these names then tick the statement below	
<input type="checkbox"/> I confirm that there are more than four persons, security agents or trustees entitled to the charge	

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Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

Brief description

BY WAY OF FIXED LEGAL MORTGAGE, ALL ESTATES OR INTERESTS IN ANY FREEHOLD OR LEASEHOLD PROPERTY OF THE COMPANY INCLUDING THOSE SET OUT IN THE SCHEDULE TO THE INSTRUMENT TOGETHER WITH ALL PRESENT AND FUTURE BUILDINGS AND FIXTURES BY WAY OF FIXED CHARGE, ALL PLANT AND MACHINERY, GOODWILL, UNCALLED CAPITAL AND BOOK DEBTS SEE INSTRUMENT FOR FURTHER DETAILS

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

- ☒ Yes  
☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

- ☒ Yes Continue  
☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

- ☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

- ☒ Yes  
☐ No

8

Trustee statement <sup>1</sup>

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

<sup>1</sup> This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature




Signature




X Acuity Legal Limited  
for and on behalf of the chargee X

This form must be signed by a person with an interest in the charge

# MR01

## Particulars of a charge

 <b>Presenter information</b>	
You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.	
Contact name	AP
Company name	Acuty Legal Limited
Address	
3 Assembly Square	
Britannia Quay	
Cardiff Bay	
Cardiff	
County/Region	
Postcode	C F 1 0 4 P L
Country	
DX DX 200750 CARDIFF BAY	
Telephone	
+44 (0)29 20482288	
 <b>Certificate</b>	
We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.	
 <b>Checklist</b>	
<b>We may return forms completed incorrectly or with information missing.</b>	
<b>Please make sure you have remembered the following</b>	
<input type="checkbox"/> The company name and number match the information held on the public Register	
<input type="checkbox"/> You have included a certified copy of the instrument with this form	
<input type="checkbox"/> You have entered the date on which the charge was created	
<input type="checkbox"/> You have shown the names of persons entitled to the charge	
<input type="checkbox"/> You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8	
<input type="checkbox"/> You have given a description in Section 4, if appropriate	
<input type="checkbox"/> You have signed the form	
<input type="checkbox"/> You have enclosed the correct fee	
<input type="checkbox"/> Please do not send the original instrument, it must be a certified copy	

 <b>Important information</b>	
Please note that all information on this form will appear on the public record	
 <b>How to pay</b>	
<b>A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper</b>	
Make cheques or postal orders payable to 'Companies House'	
 <b>Where to send</b>	
You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.	
<b>For companies registered in England and Wales</b> The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ DX 33050 Cardiff	
<b>For companies registered in Scotland</b> The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF DX ED235 Edinburgh 1 or LP - 4 Edinburgh 2 (Legal Post)	
<b>For companies registered in Northern Ireland</b> The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG DX 481 N R Belfast 1	

 <b>Further information</b>	
For further information, please see the guidance notes on the website at <a href="http://www.gov.uk/companieshouse">www.gov.uk/companieshouse</a> or email <a href="mailto:enquiries@companieshouse.gov.uk">enquiries@companieshouse.gov.uk</a>	
<b>This form is available in an alternative format. Please visit the forms page on the website at <a href="http://www.gov.uk/companieshouse">www.gov.uk/companieshouse</a></b>	



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**FILE COPY**

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

Company number: 3335588

Charge code: 0333 5588 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th September 2016 and created by THE MATCHING HOLDING COMPANY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd September 2016.

Given at Companies House, Cardiff on 27th September 2016



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED 13 September 2016

**DEBENTURE**

among

**BRICKABILITY ENTERPRISES HOLDING LIMITED**

**BRICKABILITY ENTERPRISES INVESTMENTS LIMITED**

**BRICKABILITY UK HOLDINGS LIMITED**

**MILCO HOLDINGS LIMITED**

**VENTURE PROJECTS LIMITED**

**BRICK SERVICES LIMITED**

**BRICKLINK (HOLDINGS) LIMITED**

**BRICK-LINK LIMITED**

**BRICKABILITY HOLDINGS LIMITED**

**BRICK-ABILITY LTD**

**THE MATCHING HOLDING COMPANY LIMITED**

**THE MATCHING BRICK COMPANY LIMITED**

**PLANSURE BUILDING PRODUCTS LIMITED**

as Chargors

and

**ALAN JONATHAN SIMPSON**

as Security Trustee

**Acuty Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff  
CF10 4PL**

**CERTIFIED A  
TRUE COPY  
OF THE  
ORIGINAL**

*Acuty Legal  
Limited  
19/09/16*

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THIS DEBENTURE is dated

13 September 2016

and made as a Deed among

- (1) **BRICKABILITY ENTERPRISES HOLDING LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 10332050 and having its registered office at c/o Shelley Stock Hutter LLP, 7-10 Chandos Street, London W1G 7DQ ("**Holdco**"),
- (2) **BRCIKABILITY ENTERPRISES INVESTMENTS LIMITED** a company incorporated in England & Wales under the Companies Acts with registered number 10332505 and having its registered office at c/o Shelley Stock Hunter LLP, 7-10 Chandos Street, London W1G 9DQ ("**Bidco**"),
- (3) **BRICKABILITY UK HOLDINGS LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 07805178 and having its registered office at Brckability South Road, Bndgend Industnal Estate, Bndgend, CF31 3XG ("**Brickability UK Holdings**"),
- (4) **MILCO HOLDINGS LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 06694036 and having its registered office at c/o Brick Services Limited, Carlington Court, Patterson Street, Blaydon On Tyne, Tyne & Wear, NE21 5SB ("**Milco**"),
- (5) **VENTURE PROJECTS LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 04887343 and having its registered office at c/o Brck Services Limited, Carlington Court, Patterson Street, Blaydon On Tyne, Tyne & Wear, NE21 5SB ("**Venture**"),
- (6) **BRICK SERVICES LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 03719911 and having its registered office at Carlington Court, Patterson Street, Blaydon On Tyne, Tyne & Wear, NE21 5SB ("**Brick Services**"),
- (7) **BRICKLINK (HOLDINGS) LIMITED** a company incorporated in Scotland under the Companies Acts with registered number SC409905 and having its registered office at Suite 1-2 Willow House, Strathclyde Business Park, Bellshill, Lanarkshire, ML4 3NJ ("**Brick-Link (Holdings)**"),
- (8) **BRICK-LINK LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 02245364 and having its registered office at South Road, Bndgend Industnal Estate, Bndgend, CF31 3XG ("**Brick-link**"),
- (9) **BRICKABILITY HOLDINGS LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 06364376 and having its registered office at Head Office, South Road, Bndgend Industnal Estate, Bndgend, CF31 3XG ("**Brickability Holdings**"),
- (10) **BRICK-ABILITY LTD** a company incorporated in England and Wales under the Companies Acts with registered number 01972562 and having its registered office at South Road, Bndgend Industnal Estate, Bndgend, Mid Glamorgan, CF31 3XG ("**Brick-ability**"),

- (11) **THE MATCHING HOLDING COMPANY LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 03335588 and having its registered office at South Road, Bridgend Industrial Estate, Bridgend, Mid Glamorgan, CF31 3XG ("**Matching Holding**"),
  - (12) **THE MATCHING BRICK COMPANY LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 02530773 and having its registered office at South Road, Bridgend Industrial Estate, Bridgend, Mid Glamorgan, CF31 3XG ("**Matching Brick**"),
  - (13) **PLANSURE BUILDING PRODUCTS LIMITED** a company incorporated in England and Wales under the Companies Acts with registered number 06016447 and having its registered office at South Road, Bridgend Industrial Estate, Bridgend ("**Plansure**")
- (Holdco, Bidco, Brickability UK Holdings, Milco, Venture, Brck Services, Brcklink (Holdings), Brick-link, Brickability Holdings, Brick-ability, Matching Holding, Matching Brick and Plansure, each a "**Chargor**" and together the "**Chargors**"), and
- (14) **ALAN JONATHAN SIMPSON** of Brooklands House, Philpot Lane, Cobham, Surrey, GU24 8HE as trustee for the Selling Shareholders, the Noteholders and Seneca (each as defined below) (the "**Security Trustee**")

## **BACKGROUND**

- A The Selling Shareholders are entitled to receive the Deferred Cash Consideration from Bidco pursuant to the terms of the Sale Documents, and such liabilities and obligations are to be secured under or pursuant to the Security Documents
- B The Secured Loan Notes have been or are to be issued by Bidco to the Original Noteholders pursuant to the Principal Sale Agreement
- C It is a condition of the Secured Loan Notes that the Chargors enter into the Guarantee and this Deed
- D Bidco is indebted to Seneca under the terms of the Seneca Loan Agreement, and such obligations are to be guaranteed and secured under or pursuant to the Security Documents
- E It is intended by the parties to this Deed that it shall take effect as a deed notwithstanding the fact that a party may only execute this document under hand



IT IS AGREED as follows

**1 Definitions and interpretation**

1.1 In this Deed each of the following expressions has, except so far as the context otherwise requires, the meaning shown opposite

1.1.1 **"Act"** means the Law of Property Act 1925,

1.1.2 **"Bank"** means Lloyds Bank plc, a company incorporated in England & Wales (company number 00002065),

1.1.3 **"Default Event"** means an event of default (howsoever described) under the Sale Documents, the Loan Note Instrument and/or Seneca Loan Agreement,

1.1.4 **"Deferred Cash Consideration"** means the Deferred Consideration as defined in the Principal Sale Agreement and the Option Agreement together with any interest that accrues on such Deferred Consideration in accordance with the terms of the Principal Sale Agreement and Option Agreement,

1.1.5 **"Financial Collateral"** has the meaning given to that term in the Financial Collateral Regulations,

1.1.6 **"Financial Collateral Regulations"** means the Financial Collateral Arrangements (No 2) Regulations 2003 (SC 12006 No 3226),

1.1.7 **"Guarantee"** means the cross guarantee given by the Chargors in favour of the Security Trustee dated on or about the date of this Deed,

1.1.8 **"Intercreditor Deed"** means the intercreditor deed between (amongst others) LBCF, the Bank, the Security Trustee and the Chargors dated on or about the date hereof,

1.1.9 **"LBCF"** means Lloyds Bank Commercial Finance Limited, a company incorporated in England & Wales (company number 00733011),

1.1.10 **"Loan Note Financing Documents"** means the Loan Note Instrument and any certificate issued pursuant to it,

1.1.11 **"Loan Note Instrument"** means the loan note instrument executed by Bidco dated on or around the date of this Deed constituting up to £8,000,000 in nominal value of series B secured redeemable loan notes 2026,

1.1.12 **"Mortgaged Property"** means all freehold and leasehold property which a Chargor purports to mortgage or charge under this Deed including (without limitation) any freehold or leasehold property specified in the Schedule (*Real Property*),

- 1 1 13     **"Noteholders"** means those persons whose names are from time to time entered in the Register as the holders of Notes and **"Noteholder"** means any of them,
- 1 1 14     **"Option Agreement"** means the option agreement dated 5 May 2016 between (1) Brckability UK Holdings and (2) Peter Milton relating to the sale and purchase of certain shares in the capital of Brckability UK Holdings, as assigned and novated to Bidco and varied pursuant to the Variation Agreement,
- 1 1 15     **"Original Noteholders"** means those persons to whom the Secured Loan Notes are issued pursuant to the Loan Note Instrument and in accordance with the Principal Sale Agreement,
- 1 1 16     **"Principal Sale Agreement"** means the agreement entered into on or around the date of this Deed between (1) Bidco and (2) the Selling Shareholders relating to the sale and purchase of certain shares in the capital of Brckability UK Holdings,
- 1 1 17     **"Party"** means a party to this Deed,
- 1 1 18     **"Receiver"** means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed,
- 1 1 19     **"Register"** means the register of Noteholders to be maintained under clause 9 of the Loan Note Instrument,
- 1 1 20     **"Sale Documents"** means the Principal Sale Agreement and the Option Agreement,
- 1 1 21     **"Secured Asset(s)"** means all assets of the Chargors the subject of this Deed,
- 1 1 22     **"Secured Loan Notes"** means any loan notes issued or to be issued pursuant to the Loan Note Instrument from time to time, and **"Note"** means any of them,
- 1 1 23     **"Secured Obligations"** means any and all monies and obligations due, owing or incurred by the Chargors or any of them to the Secured Parties or any of them (i) in respect of the Deferred Cash Consideration due pursuant to under the Sale Documents, (ii) under the Loan Note Financing Documents, (iii) under the Seneca Loan Agreement and/or (iv) under the Security Documents and in each case in any currency or currencies, whether present or future, actual or contingent, incurred alone or jointly with any other person and whether as principal, guarantor, cautioner or surety including Interest, costs, charges and expenses reasonably and properly incurred by the Secured Parties in respect of those monies or obligations,
- 1 1 24     **"Secured Party"** means the Security Trustee, the Selling Shareholders, Seneca and the Noteholders from time to time to whom any Secured Obligations remain due, owing or outstanding,

- 1 1 25     **"Security Documents"** means this Deed, the Guarantee and any other documents or instruments which contain or evidence a security entered into by any Chargor in favour of the Security Trustee as security for the Secured Obligations,
- 1 1 26     **"Security Trust Deed"** means the security trust deed between (1) the Security Trustee (2) the Selling Shareholders (3) the Original Noteholders and (4) Seneca dated on or about the date of this Deed;
- 1 1 27     **"Selling Shareholders"** means those persons selling shares in the capital of Brickability UK Holdings pursuant to the Sale Documents,
- 1 1 28     **Seneca** means Seneca Partners Limited a company incorporated in England and Wales (company number 07196273),
- 1 1 29     **Seneca Loan Agreement** means the loan agreement dated on or around the date of this deed between (1) Bidco (as debtor) and (2) Seneca (as creditor),
- 1 1 30     **"Variation Agreement"** means the agreement dated on or around the date of this Deed relating to the assignment and novation of Brickability UK Holdings' rights and obligations under the Option Agreement to Bidco and variation to the terms of the Option Agreement
- 1 2     If any word or phrase is not defined in this Deed but is defined in the Loan Note Instrument, it shall (unless the context otherwise requires) have the meaning given to it in the Loan Note Instrument
- 1 3     Any covenant of the Chargors under this Deed is given for the benefit of the Security Trustee and each Secured Party and remains in force until the security created by this Deed is irrevocably released
- 1 4     The terms of the Loan Note Instrument and of any side letters between any parties in relation to the Loan Note Instrument are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989
- 1 5     If the Security Trustee considers that an amount paid to it under Sale Documents, the Loan Note Instrument, the Seneca Loan Agreement and/or a Security Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed
- 1 6     The fact that no or incomplete details of any Secured Asset are inserted in the Schedule does not affect the validity or enforceability of this Deed
- 1 7     Unless otherwise indicated any reference in this Deed to -

- 1 7 1 a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (in each case whether or not having separate legal personality),
- 1 7 2 any person shall include that persons successor in title, permitted assignees or permitted transferees,
- 1 7 3 a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation,
- 1 7 4 words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders,
- 1 7 5 a clause or Schedule is to a clause or Schedule in this Deed,
- 1 7 6 the contents table and the descriptive headings to clauses, Schedules and paragraphs in this Deed are inserted for convenience only, have no legal effect and shall be ignored in the interpretation of this Deed,
- 1 7 7 this Deed (and any provisions of it) or any other document referred to in this Deed shall be construed as references to it for the time being as amended, varied, supplemented, restated, substituted or novated from time to time,
- 1 7 8 **"property"** shall include any interest (legal or equitable) in real or personal property and any thing in action,
- 1 7 9 a Default Event is **"continuing"** if it has not been remedied or waived, and
- 1 7 10 a reference to **"Secured Asset"** includes
  - 1 7 10 1 any part of that Secured Asset,
  - 1 7 10 2 any proceeds of that Secured Asset, and
  - 1 7 10 3 any present and future assets of that type
- 1 8 Unless the context otherwise requires
  - 1 8 1 the words 'include', 'includes' and 'including' are deemed to be followed by the words 'without limitation',
  - 1 8 2 the words and phrases 'other', 'including' and 'in particular' or similar words shall not restrict the generality of any preceding words or be construed as being limited to the same class, acts, things or matters as the preceding words where a wider construction is possible,

1 8 3 an obligation not to do something includes an obligation not to cause or allow that thing to be done, and

1 8 4 for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Companies Act 2006 a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee

## **2 Covenant to pay**

2 1 Each Chargor, as primary obligor and not merely as surety, covenants to the Security Trustee as security trustee for each Secured Party that it will on demand in writing made to it pay, implement, fulfil and discharge the Secured Obligations when the same are due for payment or discharge (whether by acceleration or otherwise)

## **3 Charging provisions**

3 1 Each Chargor with full title guarantee charges to the Security Trustee as security trustee for each of the Secured Parties as a continuing security for the payment or discharge of the Secured Obligations

3 1 1 by way of a first legal mortgage all estates or interests in any freehold or leasehold property owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use such property including any freehold or leasehold property specified in the Schedule, together with all present and future buildings and fixtures (including trade and tenants fixtures) which are at any time on or attached to the property, and

3 1 2 (to the extent that they are not the subject of a mortgage under Clause 3 1 1) by way of first fixed charge

3 1 2 1 all estates or interests in any freehold or leasehold property owned by it and all rights under any licence or other agreement or document which gives a Chargor a right to occupy or use property,

3 1 2 2 the benefit of all other agreements relating to land which a Chargor is or may become party to or otherwise entitled,

3 1 2 3 plant and machinery owned by a Chargor and its interest in any plant and machinery in its possession,

3 1 2 4 all shares, stocks, debentures, bonds, warrants, coupons or other securities and investments owned (at law or in equity) by it or held by any nominee on its behalf, and

- 3 1 2 5 any dividend, interest or other distribution paid or payable or any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise accruing or payable in relation to any share, stock, debenture, bond, warrant, coupon or other security or investment,
- 3 1 2 6 all rights and interests in and claims under all insurance contracts or policies or assurance contracts or policies held by or insuring to the benefit of a Chargor (including all money payable under them),
- 3 1 2 7 all of its rights in respect of any amount standing to the credit of any bank account, cash at bank and credit balances (excluding those arising on fluctuating accounts) with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest),
- 3 1 2 8 all present and future book debts of the Chargors,
- 3 1 2 9 all of its rights in respect of any patents, utility models, copyright, registered and unregistered rights in designs, registered and unregistered trade and service marks, rights in passing off and database rights in each case now or in the future held by a Chargor (whether alone or jointly with others) anywhere in the world and including any extensions and renewals of ordinary application for such rights,
- 3 1 2 10 all the Chargors' rights in relation to trade secrets, confidential information and know-how in any part of the world,
- 3 1 2 11 the benefit of all warranties, instruments, guarantees, charges, pledges and other security and all other rights and remedies available to a Chargor in respect of the assets comprised within a mortgage, fixed charge or assignment by way of security created pursuant to this Clause 3,
- 3 1 2 12 any beneficial interest, claim or entitlement it has to any assets of any pension fund,
- 3 1 2 13 its goodwill and uncalled capital for the time being,
- 3 1 2 14 the benefit of any authorisation (statutory or otherwise) held in connection with its business or the use of any Secured Asset,
- 3 1 2 15 the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in Clause 3 1 2 14

- 3 2 Each Chargor, with full title guarantee hereby assigns all of its rights in respect any letter of credit issued in its favour and any bill of exchange or other negotiable instrument held by it To the extent that they are not effectively assigned under this Clause 3 2, each Chargor charges by way of first fixed charge all of its rights under each such agreement and instrument to which it is a party
- 3 3 Each Chargor, with full title guarantee (and so far as relating to property, assets, undertaking or rights located in Scotland or otherwise governed by Scots law, with absolute warrandice) charges by way of a first floating charge (i) all of its property (including uncalled capital), assets, undertaking and rights whatsoever and wheresoever not otherwise effectively mortgaged, charged or assigned under this Deed and (ii) all of its property (including uncalled capital), assets, undertaking and rights located in Scotland or otherwise governed by Scots law
- 3 4 The Security Trustee may at any time, following the occurrence of a Default Event which is continuing, by notice to the Chargors convert the floating charge created by the Chargors under this Deed into a fixed charge over any of the Secured Assets specified in that notice and the floating charge will, without notice from the Security Trustee, automatically be converted with immediate effect into a fixed charge, if
- 3 4 1 a third party takes a fixed charge in respect of such assets without the prior written consent of the Security Trustee,
- 3 4 2 the Security Trustee considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy,
- 3 4 3 in respect of all of the Secured Assets, if and when a Chargor ceases to carry on business or to be a going concern, or
- 3 4 4 in respect of all of the Secured Assets, on the making of an order for the compulsory winding up of a Chargor, on the convening of a meeting for the passing of a resolution for the voluntary winding up of a Chargor or the taking of any steps (including, without limitation, the making of an application or the giving of any notice) by that Chargor or any other person for the appointment of an administrator in respect of that Chargor
- 3 5 The floating charge created under this Deed may not be converted into a fixed charge
- 3 5.1 solely by reason of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under Schedule A1 of the Insolvency Act 2000, or
- 3 5 2 to any Secured Assets situated in Scotland if, and to the extent that, a receiver would not be capable of exercising his powers in Scotland pursuant to Section 72 of the Insolvency Act 1986 by reason of such automatic conversion

- 3 6 The floating charge created under this Deed is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986
- 3 7 Any mortgage, fixed charge or other security created by a Chargor in favour of the Security Trustee shall have priority over the floating charge created by this Deed, except insofar as the Security Trustee shall declare otherwise whether at or after the time of creation of such fixed security
- 3 8 Subject to Clauses 3 9 to 3 11 the security created by Clauses 3 1 1 and 3 1 2 1 and 3 1 2 2 shall not apply to any leasehold property held by a Chargor under a lease that either precludes absolutely, or requires consent of a third party to, the creation of security over the relevant Chargor's leasehold interest in that property (an "**Excluded Property**") until that Chargor obtains any relevant consent, or waiver of any prohibition, to the creation of security over that Excluded Property
- 3 9 In relation to each Excluded Property, the relevant Chargor undertakes to
- 3 9 1 apply for the relevant consent or waiver of prohibition within five Business Days of the date of this deed, and to use its best endeavours to obtain that consent or waiver as soon as possible,
- 3 9 2 keep the Security Trustee informed of its progress in obtaining that consent or waiver, and
- 3 9 3 immediately on receipt of the consent or waiver, provide the Security Trustee with a copy of that consent or waiver
- 3 10 Immediately on receipt by the relevant Chargor of the relevant consent or waiver, that Excluded Property shall become the subject of a mortgage or charge (as appropriate) pursuant to Clauses 3 1 1 and 3 1 2
- 3 11 If required by the Security Trustee at any time following receipt of that consent or waiver, the relevant Chargor shall, at its own cost, prepare and execute any further documents and take any further action as the Security Trustee may require, in its absolute discretion, for perfecting its security over that Excluded Property
- 4 Undertakings**
- 4 1 Each Chargor shall keep its assets in good and substantial repair and in good working order and condition
- 4 2 Each Chargor shall preserve and maintain all intellectual property rights owned or used by it that are material to its business



- 4 3 Each Chargor shall observe and perform all covenants, agreements and stipulations from time to time affecting its interest in any lease, agreement for lease, licence or other agreement or document which gives it a right to occupy or use property comprised in its Mortgaged Property
- 4 4 Each Chargor shall comply in all material respects with the terms of all applicable laws and regulations including (without limitation) all environmental laws, legislation relating to public health, town and country planning, control and handling of hazardous substances or waste, fire precautions and health and safety at work
- 4 5 If a Chargor acquires any freehold or leasehold property after the date of this Deed, it shall notify the Security Trustee promptly and in any event by not more than 3 Business Days after such acquisition, and on request by the Security Trustee and at the cost of that Chargor, execute and deliver to the Security Trustee a legal mortgage in favour of the Security Trustee of that property in any form (consistent with this Deed) which the Security Trustee may require
- 4 6 Each Chargor must, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority with respect to its Mortgaged Property (or any part of it) which would or would be reasonably likely to have a material adverse effect on the value, saleability or use of any of the Mortgaged Property deliver a copy to the Security Trustee and inform the Security Trustee of the steps taken or proposed to be taken to comply with the relevant requirement
- 4 7 Each Chargor applies to the Chief Land Registrar for a restriction in the following terms to be entered on the Register of Title relating to any Mortgaged Property registered at H M Land Registry
- "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the debenture dated [ ] in favour of Alan Jonathan Simpson (as Security Trustee) and referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its authorised signatory (Standard form P)"
- 4 8 The obligation on the part of the Security Trustee to make further advances to a Chargor is deemed to be incorporated in this Deed and that Chargor applies to the Chief Land Registrar for a note of such obligation to be entered on the Register of Title of all present and future registered freehold and leasehold property of that Chargor
- 4 9 Subject to the terms of the Intercreditor Deed, each Chargor shall, immediately upon execution of this Deed, deposit with the Security Trustee (i) all deeds and documents of title relating to its Mortgaged Property and all local land charges, land charges and Land Registry search certificates and similar documents received by it or on its behalf and (ii) all certificates and other documents of title to the stocks, debentures, shares and other securities and investments referred to in clause 3 1 2 4 together with stamped stock transfer forms in respect of the same executed in blank and left undated The Security Trustee may at any time after the date of this Deed complete the

instruments of transfer on behalf of a Chargor in favour of itself or such other person as it should select

- 4 10 Each Chargor shall promptly pay or cause to be paid and indemnify the Security Trustee and any Receiver against all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever now or at any time in the future payable in respect of any of the Secured Assets
- 4 11 Each Chargor shall grant the Security Trustee or its lawyers on request all facilities within the power of the Chargors to enable the Security Trustee or its lawyers (at the expense of the Chargors) after this Deed has become enforceable to
  - 4 11 1 carry out investigations of title to the Mortgaged Property, and
  - 4 11 2 make such enquiries in relation to any part of the Mortgaged Property as a prudent mortgagee Each Chargor will permit any authorised representative of the Security Trustee at all reasonable times to enter upon any part of the Mortgaged Property of that Chargor and of any other property where that Chargor is carrying out any contract or other works and to inspect that Chargor's books of account and other books and documents and those of its subsidiaries
- 4 12 Each Chargor shall
  - 4 12 1 not allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of the Mortgaged Property (or any part of it) or create or permit to arise any overriding interest (as specified in Schedule 1 or Schedule 3 to the Land Registration Act 2002) affecting any such property,
  - 4 12 2 not do or cause or permit to be done nor to omit to do, or allow the omission of anything which could be reasonably likely in any way depreciate, jeopardise or otherwise prejudice the value to the Security Trustee of the security hereby constituted or the marketability of any of its assets
- 4 13 Each Chargor shall maintain its centre of main interests (COMI) for the purposes of the EU Regulation on Insolvency Proceedings 2000 (No 1346/2000) in the United Kingdom
- 4 14 Each Chargor shall notify the Security Trustee immediately in the event of any creditor executing diligence against that Chargor or any distress or execution is levied or enforced against that Chargor or any third party debt as or freezing order is made and served on that Chargor
- 4 15 Each Chargor shall notify the Security Trustee immediately if any steps are taken by any person in relation to the administration, receivership, winding-up or dissolution of that Chargor
- 4 16 The Chargor may not

4 16 1 make or permit others to make any application for planning permission in respect of any part of the Mortgaged Property, or

4 16 2 carry out or permit to be carried out on any part of the Mortgaged Property any development for which the permission of the local planning authority is required,

except as part of carrying on its principal business where it would not or would not be reasonably likely to have a material adverse effect on the value, saleability or use of the Mortgaged Property or the carrying on of the principal business of a Chargor

4 17 Each Chargor may not

4 17 1 grant any lease of, part with possession or share occupation of the whole or any part of its Mortgaged Property or confer any licence, right or interest to occupy or grant any licence or permission to assign, underlet or part with the same,

4 17 2 vary, surrender, cancel or dispose of, or permit to be forfeit any leasehold interest in any of its Mortgaged Properties

## **5 Negative pledge**

5 1 Each Chargor hereby undertakes that it will not without the prior consent in writing of the Security Trustee or as otherwise expressly permitted by the Loan Note Instrument and/or the Intercreditor Deed

5 1 1 create or allow to exist any right in security, mortgage, standard security, assignation in security, assignment in security, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or any encumbrance, trust agreement, declaration of trust or trust arising by operation of law over all or any of the Secured Assets, other than in favour of the Security Trustee, or

5 1 2 sell, transfer, assign, factor, lease or otherwise dispose of any of the Secured Assets, either in a single transaction or in a series of transactions and whether related or not and whether voluntary or involuntarily

5 2 Each Chargor hereby undertakes with the Security Trustee that, for the duration of this Deed, no Chargor shall do, or cause or permit to be done anything which could be reasonably likely to in any way depreciate, jeopardise or otherwise prejudice the value to the Security Trustee of the security hereby created

## **6 Insurances**

6 1 Each Chargor shall ensure that all Secured Assets that are insurable are insured with reputable insurance companies or underwriters to such extent and against such risks as is normal for prudent companies in businesses similar to those of that Chargor (or as otherwise requested in writing by the Security Trustee from time to time)

6 2 Subject to the rights of the Security Trustee under Clause 6 3, the Chargors shall diligently pursue its rights under each of its policies of insurance, but only if and to the extent that the exercise of those rights in the manner proposed would not result in a default under the terms of the Loan Note Instrument

6 3 After this Deed has become enforceable

6 3 1 the Security Trustee may exercise (without any further consent or authority on the part of the Chargors and irrespective of any direction given by the Chargors) any of the rights of the Chargors in connection with any amounts payable to it under any of its insurances,

6 3 2 the Chargors must take such steps (at its own cost) as the Security Trustee may require to enforce those rights, this includes initiating and pursuing legal or arbitration proceedings in the name of a Chargor, and

6 3 3 the Chargors must hold any payment received by it under any of its policies of insurance on trust for the Security Trustee

6 4 Each Chargor shall immediately give notice of this Deed to each of the other parties to each of the contracts of insurances by sending a notice in terms approved in advance by the Security Trustee

## **7 When security becomes enforceable**

This Deed shall become enforceable and the Security Trustee may exercise all the powers conferred on mortgagees by the Act (as varied or extended by this Deed), all the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986 and all or any of the rights and powers conferred by this Deed without further notice to the Chargors upon and at any time after the occurrence of any Default Event which is continuing

## **8 Enforcement of security**

8 1 The power of sale and any other power conferred on a mortgagee by law (including under section 101 of the Act) as varied or amended by this Deed will be immediately exercisable at any time after this Deed has become enforceable

8 2 For the purposes of all powers implied by law, the Secured Obligations are deemed to have become due and payable on the date of this Deed

8 3 Any restriction imposed by law on the power of sale (including under section 103 of the Act) or the right of a mortgagee to consolidate mortgages (including under section 93 of the Act) does not apply to this Deed

8 4 Any powers of sale, leasing and accepting surrenders conferred on the Security Trustee by law are extended so as to authorise the Security Trustee to lease, make agreements for leases, accept

surrenders of leases and grant options as the Security Trustee may think fit and without the need to comply with any restrictions conferred by law (including under section 99 or 100 of the Act)

- 8 5 Neither the Security Trustee nor any Receiver will be liable, by reason of entering into possession of a Secured Asset

8 5 1 to account as mortgagee in possession or for any loss on realisation, or

8 5 2 for any default or omission for which a mortgagee in possession might be liable

- 8.6 Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by law (including the Act) on mortgagees and receivers duly appointed under any law (including the Act)

- 8 7 No person (including a purchaser) dealing with the Security Trustee or a Receiver or its or his agents will be concerned to enquire

8 7 1 whether the Secured Obligations have become due or payable,

8 7 2 whether any power which the Security Trustee or a Receiver is purporting to exercise has become exercisable or is being properly exercised,

8 7 3 whether any money remains due under the Sale Documents, Loan Note Instrument, Seneca Loan Agreement or any Security Document, or

8 7 4 how any money paid to the Security Trustee or to that Receiver is to be applied

- 8 8 At any time after this Deed has become enforceable, the Security Trustee may

8 8 1 redeem any prior security against any Secured Asset; and/or

8 8 2 procure the transfer of that security to itself, and/or

8 8 3 settle and pass the accounts of the prior mortgagee, chargee or encumbrancer and any accounts so settled and passed will be, in the absence of fraud or manifest error, conclusive and binding on the Chargors

- 8 9 Each Chargor must pay to the Security Trustee, immediately on demand, the costs and expenses reasonably and properly incurred by the Security Trustee in connection with any redemption and/or transfer pursuant to Clause 8 8, including the payment of any principal or interest

- 8 10 If this Deed is enforced at a time when no amount is due under the Sale Documents, Loan Note Documents, Seneca Loan Agreement or any Security Document but at a time when amounts may or will become due, the Security Trustee (or the Receiver) may pay the proceeds of any recoveries effected by it into such number of suspense accounts as it considers appropriate

## **9 Receiver**

- 9 1 Except as provided below, the Security Trustee may by deed, under seal or in writing under its hand appoint any one or more persons to be a Receiver of all or any part of the Secured Assets and/or an administrator of a Chargor if this Deed has become enforceable or, to the extent permitted by the Intercreditor Deed, a Chargor so requests the Security Trustee in writing at any time
- 9 2 Where more than one Receiver is appointed they will have power to act separately (unless the appointment of the Security Trustee specifies to the contrary)
- 9 3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed
- 9 4 The Security Trustee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A to the Insolvency Act 1986
- 9 5 The Security Trustee may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Secured Assets if the Security Trustee is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies
- 9 6 The Security Trustee may from time to time determine the remuneration of the Receiver and may (subject to Section 45 of the Insolvency Act 1986) remove the Receiver from all or any part of the assets of which he is the Receiver and at any time after any Receiver has vacated office or ceased to act, appoint a further Receiver over all or any part of those assets
- 9 7 To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Deed becomes enforceable be exercised by the Security Trustee in relation to any Secured Asset without first appointing a Receiver or notwithstanding the appointment of a Receiver

## **10 Powers of receiver**

- 10 1 A Receiver will be the agent of the Chargors for all purposes and will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. Each Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver
- 10 2 A Receiver has all the rights, powers and discretions set out below in this clause in addition to those conferred on it by any law. This includes
- 10 2 1 in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986, and

10 2 2 otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986

10 3 A Receiver may

- 10 3 1 take immediate possession of, get in and collect any Secured Asset,
- 10 3 2 carry on any business of the Chargors in any manner he thinks fit,
- 10 3 3 appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as he thinks fit,
- 10 3 4 discharge any person appointed by the Chargors,
- 10 3 5 raise and borrow money either unsecured or on the security of any Secured Asset either in priority to this Deed or otherwise and generally on any terms and for whatever purpose which he thinks fit,
- 10 3 6 sell, exchange, convert into money and realise any Secured Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit Fixtures and fittings may be severed and sold separately from the property containing them without the consent of the Chargors,
- 10 3 7 let any Secured Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Secured Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender),
- 10 3 8 settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargors or relating in any way to any Secured Asset,
- 10 3 9 bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Secured Asset which he thinks fit,
- 10 3 10 give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Secured Asset,
- 10 3 11 form a subsidiary of a Chargor and transfer to that subsidiary any Secured Asset,
- 10 3 12 delegate his powers in accordance with this Deed,
- 10 3 13 lend money or advance credit to any customer of a Chargor,

- 10 3 14 effect any repair or insurance and do any other act which a Chargor might do in the ordinary conduct of its business to protect or improve any Secured Asset,
- 10 3 15 commence and/or complete any building operation, and
- 10 3 16 apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit

10 4 In addition to the powers set out in Clauses 10 2 and 10 3, a Receiver may

- 10 4 1 do all other acts and things which he may consider desirable or necessary for realising any Secured Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or by law,
- 10 4 2 exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Secured Asset, and
- 10 4 3 use the name of a Chargor for any of the above purposes

## **11 Application of proceeds**

Unless otherwise determined by the Security Trustee or a Receiver, and subject to the payment of any claims having priority over this Deed (including under the Intercreditor Deed), any moneys received by the Security Trustee or that Receiver after this Deed has become enforceable shall be applied by the Security Trustee in the order of priority set out in Clause 11 (*Payments to Beneficiaries*) of the Security Trust Deed

## **12 Indemnity**

- 12 1 The Chargors shall immediately on demand pay all liabilities, losses, costs and expenses (including legal fees) incurred in connection with the execution (or purported execution) of any of the powers, authorities or discretions vested in the Security Trustee, any Receiver, attorney, manager, agent or other person appointed by the Security Trustee under this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way in connection with or relating to all or any of the Secured Assets (including but not limited to any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise) and the Security Trustee, any Receiver or any such other person may retain and pay all sums in respect of the same out of the money received under the powers conferred by this Deed
- 12 2 The Chargors shall keep each of the Security Trustee, any Receiver, attorney, manager, agent or any other person appointed under this Deed indemnified against any failure or delay in paying the



costs at 12 1 (including but not limited to any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise)

12 3 All amounts payable under 12 1 and 12 2 form part of the Secured Obligations

### **13 Delegation**

13 1 The Security Trustee or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed Any such delegation may be made upon any terms (including power to sub-delegate) which the Security Trustee or any Receiver may think fit

13 2 No Secured Party nor any Receiver will be in any way liable or responsible to the Chargors for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

### **14 Further assurances**

14 1 Each Chargor shall, at its own expense, take whatever action the Security Trustee requires for

14 1 1 creating, perfecting or protecting any security intended to be created by or pursuant to this Deed,

14 1 2 facilitating the realisation of any Secured Asset,

14 1 3 facilitating the exercise of any right, power or discretion exercisable by the Security Trustee or any Receiver or any of their respective delegates or sub-delegates in respect of any Secured Asset, or

14 1 4 creating and perfecting security in favour of the Security Trustee (equivalent to the security intended to be created by this Deed) over any assets of any Chargor located in any jurisdiction outside England and Wales

14 2 The action the Security Trustee may require pursuant to Clause 14 1 includes

14 2 1 1 the re-execution of this Deed,

14 2 1 2 the execution of any legal mortgage, charge, standard security, transfer, conveyance, assignment or assurance or other fixed security of any property, whether to the Security Trustee or to its nominee, and

14 2 1 3 the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Trustee may think expedient

## **15 Power of attorney**

Each Chargor, by way of security, irrevocably appoints the Security Trustee, and also (as a separate appointment) any Receiver severally and each of their respective delegates and sub-delegates to be its attorney to take any action which that Chargor is obliged to take under this Deed. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

## **16 Preservation of security**

- 16.1 This Deed is a continuing security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part and is without prejudice and in addition to any other right, remedy or security of whatever sort the Security Trustee or any other Secured Party may hold at any time for the Secured Obligations or any other obligation whatsoever and will not be affected by any release, reassignment or discharge of such other right, remedy or security.
- 16.2 Each Chargor will permit any authorised representative of the Security Trustee at all reasonable times to enter upon any part of the Mortgaged Property and of any other property where that Chargor may be carrying out any contract or other works and to inspect that Chargor's books of account and other books and documents and those of its subsidiaries.
- 16.3 The Security Trustee shall be entitled, at any time, to have a valuation of the Secured Assets or any part of them carried out from time to time by an independent surveyor or valuer (to be appointed at the Security Trustee's sole discretion) and the Chargors consent to such valuation report being prepared and agrees to provide such access and other assistance as may be reasonably required by the Security Trustee for such purposes. Each Chargor shall use all reasonable endeavours to ensure that any tenant or other occupier of the Mortgaged Property shall ensure access and assistance is provided for these purposes.
- 16.4 If any payment by any Chargor or any discharge given by the Security Trustee (whether in respect of the obligations of a Chargor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event
- 16.4.1 the liability of a Chargor will continue as if the payment, discharge, avoidance or reduction had not occurred, and
- 16.4.2 the Security Trustee will be entitled to recover the value or amount of that security or payment from a Chargor, as if the payment, discharge, avoidance or reduction had not occurred.
- 16.5 The obligations of a Chargor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it or the Security Trustee). This includes

- 16 5 1 any time or waiver granted to, or composition with, any person,
  - 16 5 2 any release of any person under the terms of any composition or arrangement,
  - 16 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 person,
  - 16 5 4 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,
  - 16 5 5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person,
  - 16 5 6 any amendment of the Sale Documents, Loan Note Instrument, Seneca Loan Agreement or any other document or security (including, for the avoidance of doubt, the Security Documents),
  - 16 5 7 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under the Sale Documents, Loan Note Instrument, Seneca Loan Agreement or any other document or security, or
  - 16 5 8 any insolvency or similar proceedings
- 16 6 Each Chargor waives any right it may have of first requiring the Security Trustee (or any trustee or agent on its behalf) to proceed against or enforce any other right or security or claim payment from any person or file any proof or claim in any insolvency, administration, winding-up or liquidation proceedings relative to any other person before claiming from the Chargors under this Deed
- 16 7 Until all amounts which may be or become payable by the Chargors under or in connection with the Sale Documents, Loan Note Instrument, Seneca Loan Agreement and the Security Documents have been irrevocably and unconditionally paid in full, the Security Trustee (or any trustee or agent on its behalf) may without affecting the liability of the Chargors under this Deed
- 16 7 1 refrain from applying or enforcing any other moneys, security or rights held or received by the Security Trustee (or any trustee or agent on its behalf) against those amounts, or
  - 16 7 2 apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise), and
  - 16 7 3 hold in an interest-bearing suspense account any moneys received from the Chargors or on account of the Chargors' liability under this Deed

- 16 8 This Deed is in addition to and is not in any way prejudiced by any other security now or subsequently held by the Security Trustee for the Secured Parties and no prior security held by the Security Trustee for the Secured Parties over any Secured Asset will merge into this Deed
- 16 9 If any subsequent charge or other interest affects any Secured Asset, the Security Trustee may open a new account or accounts with the Chargors. If the Security Trustee does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest and as from that time all payments made to the Security Trustee will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Obligation
- 16 10 The perpetuity period for the trusts in this Deed is 80 years
- 16 11 To the extent that the assets mortgaged or charged under this Deed constitute Financial Collateral and this Deed and the obligations of the Chargors under this Deed constitute a **"Security Financial Collateral Arrangement"** (as defined in the Financial Collateral Regulations) the Security Trustee shall have the right, at any time after this Deed becomes enforceable, to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations
- 16 12 For the purpose of Clause 16 11, the value of the Financial Collateral appropriated shall be the price of such Financial Collateral at the time the right of appropriation is exercised as listed on any recognised marked index or determined by such other method as the Security Trustee may select. Each Chargor agrees that the methods of valuation provided for in this Deed are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations
- 17 Further provisions**
- 17 1 Any certificate by the Security Trustee as to the amount of the Secured Obligations or any part thereof shall be conclusive and binding upon the Chargors if signed by an officer of the Security Trustee, save in the case of fraud or any manifest error
- 17 2 Each of the provisions of this Deed is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable with respect to the Chargors the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby
- 17 3 Each Chargor agrees to be bound by this Deed notwithstanding that the security hereby created may be determined or may be or become invalid or enforceable against the Chargors whether or not the deficiency is known to the Security Trustee
- 17 4 The rights of the Security Trustee, each other Secured Party, a Receiver and an administrator under this Deed are cumulative, may be exercised as often as they consider appropriate and are in addition to their respective rights under general law. The respective rights of the Security Trustee, each other Secured Party, a Receiver and an administrator (whether arising under this Deed or

under the general law) shall not be capable of being waived or varied otherwise than by express waiver or variation in writing, and, in particular, any failure to exercise or any delay in exercising any such rights shall not operate as a variation or waiver of that or any other such right, any defective or partial exercise of such rights shall not preclude any other or further exercise of that or any other such right, and no act or course of conduct or negotiation on their part or on their behalf shall in any way preclude them from exercising any such right or constitute a suspension or variation of any such right

- 17 5 No failure or delay by the Security Trustee in exercising any right or remedy shall operate as a waiver thereof, nor shall any single or partial exercise or waiver of any right or remedy preclude its further exercise or the exercise of any other right or remedy

#### **18 Intercreditor Deed**

- 18 1 This Deed is subject to the terms of the Intercreditor Deed To the extent that there is any conflict between the terms of this Deed and the terms of the Intercreditor Deed, the terms of the Intercreditor Deed shall prevail

#### **19 Notices**

- 19 1 Any communication to be made under or in connection with this Deed shall be made (in English) in writing and, unless otherwise stated, may be made by fax or letter
- 19 2 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of the Chargors and the Security Trustee for any communication or document to be made or delivered under or in connection with this Deed is

#### **Chargors**

Address Brickability South Road, Bridgend Industrial Estate, Bridgend, CF31 3XG

For the attention of The directors

Email.

#### **Security Trustee**

Address Brooklands House, Philpot Lane, Cobham, Surrey, GU24 8HE

For the attention of Alan Simpson

Email

or any substitute address, fax number or department or officer as any Chargor or the Security Trustee may notify to the other from time to time

19 3 Any communication or document made or delivered to the Chargors referred to in Clause 19 2 in accordance with this Clause 19 will be deemed to have been made or delivered to each of the Chargors

19 4 Any notice or other communication given to a party shall be deemed to have been received -

19 4 1 if sent by facsimile, with a confirmed receipt of transmission from the receiving machine, on the day on which transmitted,

19 4 2 in the case of a written notice given by hand, on the day of actual delivery, and

19 4 3 if posted, on the second Business Day following the day on which it was despatched by first class mail postage prepared following the date of despatch by prepaid first class postage,

provided that a notice given in accordance with the above but received on a day which is not a Business Day or after normal business hours in the place of receipt shall only be deemed to have been received on the next Business Day

## **20 Counterparts**

20 1 This Deed may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument

20 2 Delivery of an executed signature page of a counterpart by facsimile transmission or in Adobe Portable Document Format (PDF) sent by electronic mail shall take effect as delivery of an executed counterpart of this Deed If either method is adopted, without prejudice to the validity of this Deed, each party shall provide the other with the original of such page as soon as reasonably practicable thereafter

## **21 Exclusion of Third Party Rights**

A person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999

## **22 Governing law**

This Deed is governed by English law

## **23 Enforcement**

23 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) (a "Dispute")

- 23.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- 23.3 This Subclause is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

**THIS DEED** has been executed and delivered as a deed on the date stated at the beginning of this Deed

**SCHEDULE  
REAL PROPERTY**

<b>No</b>	<b>Freehold/Leasehold</b>	<b>Description</b>	<b>Chargor</b>
1	Freehold	All that land and buildings known as 1 Amber Close, Tamworth B77 4RP and registered at the Land Registry under title number SF283616	Brck-ability
2	Freehold	All that land and buildings known as 48 Mill Green Road, Mitcham, CR4 4HY and all that land and buildings on the north west side of 48 Mill Green Road, Mitcham, CR4 4HY and registered at the Land Registry under title numbers SGL248702 and SGL544661 respectively	Brck-ability
3	Freehold	All that land and buildings known as Broadgate House, North Broadgate Lane, Horsforth, Leeds LS18 4AB and registered at the Land Registry under title number WYK565348	Brck-link
4	Leasehold	Land and buildings on the south side of South Road, Waterton Cross, Coychurch, Bridgend as more particularly described in a lease dated 9 August 2007 and made between (1) Peter Richard Millon and YX Trustees Limited as Trustees of the Brck-ability Executives Retirement and Death Benefit Scheme and (2) Brck-ability Limited and registered at the Land Registry under title number CYM387118	Brck-ability
5	Leasehold	Land and buildings known as Site B Marshgate Works, Shrivenham Road,	Matching Brck



		Swindon SN1 2PA as more particularly described and demised by a lease dated 12 August 2004 between (1) Michele Del Vecchio and Franklyn William Alexander and (2) The Matching Brck Company Limited and registered at the Land Registry under title number WT252642	
6	Leasehold	Land and buildings at Deep Pit Road, Knapps Lane, St George, Bristol as more particularly described and demised by a lease dated 24 June 2003 between (1) Tarmac Limited and (2) The Matching Brick Company Limited and (3) Richard Smith and Jennifer Smith	Matching Brck
7	Leasehold	Land and buildings known as Yard E, Uskway Industrial Estate, Newport as more particularly described and demised by a lease dated 2 July 2008 between (1) ACW Properties Limited and (2) Brck-ability Ltd	Brck-ability
8	Leasehold	Land and buildings known as Units A/B Porton Business Centre, Porton, Salisbury as more particularly described and demised by a lease dated 31 May 2013 between (1) Thomas Andrew Burchmore and (2) Plansure Building Products Limited	Plansure
9	Leasehold	Land and buildings known as Lockes Yard, Hartcliffe Way, Bristol as more particularly described and demised by a lease dated 17 September 2003 between (1) Elaine Maud Nash, Margaret Elizabeth Hanks and Jacqueline Sandra Abbott (Trustees of the Estate of JH Locke deceased)	Matching Brck

		and (2) The Matching Brick Company Limited	
10	Leasehold	Land and buildings known as Unit C Porton Business Centre, Porton, Salisbury as more particularly described and demised by a lease dated 31 May 2013 between (1) Thomas Andrew Burchmore and (2) Plansure Building Products Limited	Plansure

## SIGNATORIES

Executed as a deed by **BRICKABILITY ENTERPRISES HOLDING LIMITED**signature of  
director/secretary/witnesssignature of  
director/secretary

full name of above (print)

full name of above (print)

Address of witness

Executed as a deed by **BRICKABILITY ENTERPRISES INVESTMENTS LIMITED**signature of  
director/secretary/witnesssignature of  
director/secretary

full name of above (print)

full name of above (print)

Address of witness

Executed as a deed by **BRICKABILITY UK HOLDINGS LIMITED**signature of  
director/secretary/witnesssignature of  
director/secretaryMelanie Williams  
full name of above (print)Simon Mellor  
full name of above (print)Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
Cardiff  
CF10 4PL  
Address of witness

Executed as a deed by **MILCO HOLDINGS LIMITED**

signature of  
~~director/secretary~~/witness

Melanie Williams  
 full name of above (print)

Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
 Address of witness Cardiff  
CF10 1DP

signature of  
 director/~~secretary~~

Simon Mellor  
 full name of above (print)

Executed as a deed by **VENTURE PROJECTS LIMITED**

signature of  
~~director/secretary~~/witness

Melanie Williams  
 full name of above (print)

Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
 Address of witness Cardiff  
CF10 1DP

signature of  
 director/~~secretary~~

Simon Mellor  
 full name of above (print)

Executed as a deed by **BRICK SERVICES LIMITED**

signature of  
~~director/secretary~~/witness

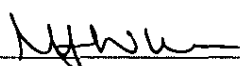
Melanie Williams  
 full name of above (print)

Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
 Address of witness Cardiff  
CF10 1DP

signature of  
 director/~~secretary~~

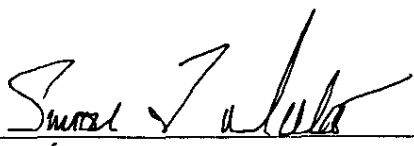
Simon Mellor  
 full name of above (print)

Executed as a deed by **BRICKLINK (HOLDINGS) LIMITED**

  
signature of  
director/secretary/witness

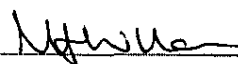
Melanie Williams  
full name of above (print)

Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
Address of witness Cardiff  
CF10 1DT

  
signature of  
director/secretary

Simon Mellor  
full name of above (print)

Executed as a deed by **BRICK-LINK LIMITED**

  
signature of  
director/secretary/witness

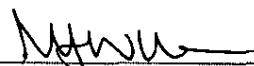
Melanie Williams  
full name of above (print)

Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
Address of witness Cardiff  
CF10 1DT

  
signature of  
director/secretary

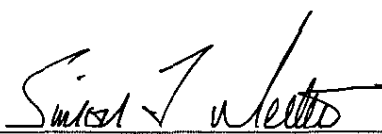
Simon Mellor  
full name of above (print)

Executed as a deed by **BRICKABILITY HOLDINGS LIMITED**

  
signature of  
director/secretary/witness

Melanie Williams  
full name of above (print)

Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
Address of witness Cardiff  
CF10 1DT

  
signature of  
director/secretary

Simon Mellor  
full name of above (print)

Executed as a deed by **BRICK-ABILITY LTD**

\_\_\_\_\_  
 signature of  
 director/secretary/witness  
 \_\_\_\_\_  
 full name of above (print)  
 \_\_\_\_\_  
 Acuity Legal Limited  
 3 Assembly Square  
 Britannia Quay  
 Cardiff Bay  
 \_\_\_\_\_  
 Address of witness Cardiff  
 CF10 1DT

\_\_\_\_\_  
 signature of  
 director/secretary  
 \_\_\_\_\_  
 full name of above (print)  
 \_\_\_\_\_

Executed as a deed by **THE MATCHING HOLDING COMPANY LIMITED**

\_\_\_\_\_  
 signature of  
 director/secretary/witness  
 \_\_\_\_\_  
 full name of above (print)  
 \_\_\_\_\_  
 Acuity Legal Limited  
 3 Assembly Square  
 Britannia Quay  
 Cardiff Bay  
 \_\_\_\_\_  
 Address of witness Cardiff  
 CF10 1DT

\_\_\_\_\_  
 signature of  
 director/secretary  
 \_\_\_\_\_  
 full name of above (print)  
 \_\_\_\_\_

Executed as a deed by **THE MATCHING BRICK COMPANY LIMITED**

\_\_\_\_\_  
 signature of  
 director/secretary/witness  
 \_\_\_\_\_  
 full name of above (print)  
 \_\_\_\_\_  
 Acuity Legal Limited  
 3 Assembly Square  
 Britannia Quay  
 Cardiff Bay  
 \_\_\_\_\_  
 Address of witness Cardiff  
 CF10 1DT

\_\_\_\_\_  
 signature of  
 director/secretary  
 \_\_\_\_\_  
 full name of above (print)  
 \_\_\_\_\_

Executed as a deed by PLANSURE BUILDING PRODUCTS LIMITED

signature of  
director/secretary/witness

Melanie Williams  
full name of above (print)

Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
Cardiff  
CF10 1BP

signature of  
director/secretary

Simon Mellor  
full name of above (print)

Executed as a deed by ALAN JONATHAN SIMPSON as Security Trustee for the Secured Parties

signature of witness

Melanie Williams  
full name of above (print)

Acuity Legal Limited  
3 Assembly Square  
Britannia Quay  
Cardiff Bay  
Cardiff  
CF10 1BP

signature of  
Security Trustee

Simon Mellor  
full name of above (print)