

MR01

Particulars of a charge

187698/455

Laserform

A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

☒ **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 no
instrument. Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

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
must be scanned and placed on the public record. **Do not send the original.**



A17 *A49T3U3D*
18/06/2015 #348
COMPANIES HOUSE

THURSDAY

1 Company details

Company number 0 4 1 7 1 6 9 2
Company name in full Blue Group International Holdings Limited

For official use
7
→ **Filing in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d1 d5 m0 m6 y2 y0 y1 y5

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name HSBC Invoice Finance (UK) Limited (HIF)

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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4

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

Brief description

Not applicable

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

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 ¹

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

☐

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

9

Signature

Please sign the form here

Signature

Signature

X Addisha Goddard Ltd X

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

MR01

Particulars of a charge



Presenter information

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 SHAWJ/335211-4

Company name Addleshaw Goddard LLP

Address 100 Barbirolli Square

Post town Manchester

County/Region Greater Manchester

Postcode M 2 3 A B

Country United Kingdom

DX 14301 Manchester

Telephone 0161 934 6000



Certificate

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.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below

For companies registered in England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:

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)

For companies registered in Northern Ireland:

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



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4171692

Charge code: 0417 1692 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th June 2015 and created by BLUE GROUP INTERNATIONAL HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th June 2015.

Given at Companies House, Cardiff on 25th June 2015



Companies House



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

DATED

15 June

2015

(1) HSBC INVOICE FINANCE (UK) LIMITED
as HIF

- and -

(2) THE COMPANY LISTED IN SCHEDULE 1
as the Company

DEBENTURE

This Debenture is subject to the terms of the Intercreditor Deed (defined herein)

WE HEREBY CERTIFY THAT THIS IS
A TRUE COPY (AS REDACTED) OF
THE ORIGINAL

Addleshaw Goddard LLP

DATE 17.06.2015
ADDLESHAW GODDARD LLP

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THIS DEBENTURE is made on

15 June

2015

BETWEEN

- (1) **HSBC INVOICE FINANCE (UK) LIMITED** registered in England and Wales with the number 00759657 ("HIF"); and
- (2) **THE COMPANY LISTED IN SCHEDULE 1** (the "Company")

IT IS AGREED

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed

- (a) terms defined in, or construed for the purposes of, the Receivables Finance Facility Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed), and
- (b) the following terms have the following meanings:

"**ABL Insurances**" means the Credit Insurance Policy, the Inventory Insurance Policy, the P&M Insurance Policy and the Real Estate Insurance Policy and "**ABL Insurance**" means any of them,

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

"**Assigned Assets**" means the Security Assets expressed to be assigned pursuant to clause 4.2 (*Security assignments*),

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

"**Charged Securities**" means

- (a) the securities, if any, specified in part 2 of schedule 2 (*Details of Security Assets*), and
- (b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "*investments*" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Company, held by a nominee on its behalf or in which the Company has an interest at any time;

"**Credit Insurance Policy**" means the credit insurance policy, if any, the details of which are specified in part 3 of schedule 2 (*Details of Security Assets*) and all cover notes relating to that policy and any other policy of insurance which may replace that policy of insurance,

"Default Rate" means any *Default Rate* (as defined in the Receivables Finance Facility Agreement) then applicable, as determined by HIF,

"Excluded Proceeds" means all and any monies paid to a Trust Account which are not the proceeds of Debts;

"Export Debt" means a Debt the Customer in relation to which is located outside England & Wales, Scotland and/or Northern Ireland,

"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of the Company or in which the Company from time to time has an interest (including, without limitation, the Credit Insurance Policy),

"Intercreditor Deed" means the intercreditor deed dated on or around the date of this Deed and made between, among others, the Company, HSBC Bank Plc and HIF,

"Inventory Insurance Policy" means that inventory insurance policy, the details of which are specified in part 4 of schedule 2 (*Details of Security Assets*), if any, and all cover notes relating to that policy and any other policy of insurance which may replace that policy of insurance;

"Non-Vesting Debts" means Non-Vesting Domestic Debts and Non-Vesting Export Debts and **"Non-Vesting Debt"** means any one of them,

"Non-Vesting Domestic Debts" means any Debt (other than an Export Debt) purportedly assigned to HIF pursuant to the Receivables Finance Facility Agreement but which does not, for any reason, vest absolutely and effectively in HIF,

"Non-Vesting Export Debts" means any Export Debt purportedly assigned to HIF pursuant to the Receivables Finance Facility Agreement but which does not, for any reason, vest absolutely and effectively in HIF,

"Other Receivables" means, save for Debts and Excluded Proceeds, all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Company (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with

- (a) the benefit of all rights, guarantees, Security Interests and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights), and
- (b) all proceeds of any of the foregoing,

"P&M Insurance Policy" means that plant and machinery insurance policy, the details of which are specified in part 5 of schedule 2 (*Details of Security Assets*), if any, and all cover notes relating to that policy and any other policy of insurance which may replace that policy of insurance,

"Party" means a party to this Deed,

"Real Estate Insurance Policy" means that real estate insurance policy, the details of which are specified in part 6 of schedule 2 (*Details of Security Assets*), if any, and all cover notes relating to that policy and any other policy of insurance which may replace that policy of insurance,

"Receivables Finance Facility Agreement" means the receivables finance facility agreement dated 29 May 2015 and made between, among others, (1) the Company and (2) HIF pursuant to which HIF agreed to make certain facilities available to the Company,

"Receiver" means any receiver, receiver and manager or administrative receiver appointed by HIF under this Deed,

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Company to HIF (including all monies covenanted to be paid under any Finance Document), provided that no obligation or liability shall be included in the definition of **"Secured Obligations"** to the extent that, if it were so included, this Deed (or any part of it) would constitute unlawful financial assistance within the meaning of sections 151 and 152 of the Companies Act 1985,

"Securities Rights" means, in relation to any Charged Security

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition,
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

"Security" means the Security Interests created by or pursuant to this Deed,

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

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

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and
- (b) HIF has no further commitment, obligation or liability to the Company (whether arising under or pursuant to the Finance Documents or otherwise),

"Spot Rate of Exchange" means HSBC Bank PLC's spot rate of exchange for the purchase of a currency with the relevant currency in the London foreign exchange market at or about 11 00am on a particular day

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to

- (i) the "Company" and "HIF" shall be construed so as to include their respective successors in title, permitted assigns and permitted transferees,
- (ii) "this Deed", the "Receivables Finance Facility Agreement", any other "Finance Document" or any other agreement or instrument shall be construed as a reference to this Deed, the Receivables Finance Facility Agreement, such other Finance Document or such other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Company or provides for further advances),
- (iii) "assets" includes any present and future properties, revenues and rights of every description and includes uncalled capital,
- (iv) a Termination Event that is "continuing" shall be construed as meaning a Termination Event that has not been waived in writing by HIF nor remedied to the satisfaction of HIF,
- (v) "including" or "includes" means including or includes without limitation,
- (vi) "Secured Obligations" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Company,
- (vii) a provision of law is a reference to that provision as amended or re-enacted, and
- (viii) the singular includes the plural and vice versa
- (b) References to clauses, paragraphs and schedules are to be construed, unless otherwise stated, as references to clauses, paragraphs and schedules of this Deed and references to this Deed include its schedules
- (c) Clause and schedule headings are for convenience only and shall not affect the construction of this Deed
- (d) Each undertaking of the Company (other than a payment obligation) contained in this Deed must be complied with at all times during the Security Period.
- (e) The terms of the other Finance Documents and of any side letters between any of the parties thereto in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any disposition of the Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989
- (f) If HIF reasonably considers that an amount paid by the Company to HIF (whether arising under a Finance Document or otherwise) is capable of being avoided or otherwise set aside on the liquidation or administration of the Company, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed
- (g) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand

1.3 Third party rights

A person who is not a Party shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed

2. COVENANT TO PAY

2.1 Covenant to pay

The Company covenants in favour of HIF that it will pay and discharge the Secured Obligations from time to time when they fall due.

2.2 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate and in the manner agreed in the Finance Document under which such amount is payable and, in the absence of such agreement, at the Default Rate from time to time
- (b) Default interest will accrue from day to day and will be compounded at such intervals as HIF states are appropriate

3. GRANT OF SECURITY

3.1 Nature of security

All Security Interests and dispositions created or made by or pursuant to this Deed are created or made

- (a) in favour of HIF,
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, and
- (c) as continuing security for payment of the Secured Obligations

3.2 Qualifying floating charge

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

4. FIXED SECURITY

4.1 Fixed charges

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

- (a) by way of first legal mortgage.

- (i) the Real Property (if any) specified in part 1 of schedule 2 (*Details of Security Assets*), and
 - (ii) all Real Property (if any) at the date of this Deed vested in, or charged to, the Company (not charged by clause 4 1(a)(i)),
- (b) by way of first fixed charge
 - (i) all Real Property and all interests in Real Property (not charged by clause 4 1(a)),
 - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land, and
 - (iii) the proceeds of sale of all Real Property;
- (c) by way of first fixed charge
 - (i) all computers, vehicles, office equipment and other equipment, and
 - (ii) the benefit of all contracts, licences and warranties relating to the same,
- (d) by way of first fixed charge all Charged Securities referred to in part 2 of schedule 2 (*Details of Security Assets*), if any,
- (e) by way of first fixed charge all Securities Rights related to Charged Securities referred to in part 2 of schedule 2 (*Details of Security Assets*),
- (f) by way of first fixed charge all Charged Securities not referred to in part 2 of schedule 2 (*Details of Security Assets*), if any,
- (g) by way of first fixed charge all Securities Rights related to Charged Securities not referred to in part 2 of schedule 2 (*Details of Security Assets*),
- (h) by way of first fixed charge all Non-Vesting Domestic Debts and their proceeds now or in the future owing to the Company,
- (i) by way of first fixed charge all Associated Rights relating to any Non-Vesting Domestic Debts,
- (j) by way of first fixed charge all Non-Vesting Export Debts and their proceeds now or in the future owing to the Company,
- (k) by way of fixed charge all Associated Rights relating to any Non-Vesting Export Debts,
- (l) by way of first fixed charge all Intellectual Property owned by the Company,
- (m) to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (*Security assignments*), by way of first fixed charge such Assigned Asset,
- (n) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed)

- (i) the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of the Company or the use of any of its assets, and
- (ii) any letter of credit issued in favour of the Company and all bills of exchange and other negotiable instruments held by it, and
- (o) by way of first fixed charge all of the goodwill and uncalled capital of the Company

4.2 Security assignments

The Company assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all its present and future right, title and interest in and to

- (a) the Excluded Proceeds,
- (b) the Credit Insurance Policy, all claims under the Credit Insurance Policy and the proceeds of the Credit Insurance Policy,
- (c) the Inventory Insurance Policy, all claims under the Inventory Insurance Policy and the proceeds of the Inventory Insurance Policy,
- (d) the P&M Insurance Policy, all claims under the P&M Insurance Policy and the proceeds of the P&M Insurance Policy,
- (e) the Real Estate Insurance Policy, all claims under the Real Estate Insurance Policy and the proceeds of the Real Estate Insurance Policy,
- (f) the Insurances (save for the ABL Insurances), all claims under the Insurances and all proceeds of the Insurances, and
- (g) all Other Receivables

To the extent that any Assigned Asset described in clause 4.2(b) to 4.2(f) inclusive is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Company to any proceeds of the relevant insurance

4.3 Assigned Assets

HIF is not obliged to take any steps necessary to preserve any Assigned Asset or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed

5. FLOATING CHARGE

The Company charges and agrees to charge by way of first floating charge all of its present and future

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 4.1 (*Fixed charges*), clause 4.2 (*Security assignments*) or any other provision of this Deed, and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.

6. CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

HIF may, by written notice to the Company, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of the Company specified in the notice if

- (a) a Termination Event has occurred, or
- (b) HIF (acting reasonably) considers any Security Assets (whether or not those specified in the notice) to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy

6.2 Small companies

The floating charge created under this Deed by the Company shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Company.

6.3 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

- (a) in relation to any Security Asset which is subject to a floating charge if
 - (i) the Company creates (or attempts or purports to create) any Security Interest (other than a Security Interest which is permitted by the Receivables Finance Facility Agreement) on or over the relevant Security Asset without the prior written consent of HIF, or
 - (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset, and
- (b) over all Security Assets which are subject to a floating charge if an administrator is appointed in respect of the Company or HIF receives notice of intention to appoint such an administrator

6.4 Partial conversion

The giving of a notice by HIF pursuant to clause 6.1 (*Conversion by notice*) in relation to any class of assets of the Company shall not be construed as a waiver or abandonment of the rights of HIF to serve similar notices in respect of any other class of assets or of any other right of HIF

7. CONTINUING SECURITY

7.1 Continuing security

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

7.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security Interest which HIF may at any time hold for any Secured Obligation

7.3 Right to enforce

This Deed may be enforced against the Company without HIF first having recourse to any other right, remedy, guarantee or Security Interest held by or available to it

8. LIABILITY OF THE COMPANY RELATING TO SECURITY ASSETS

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

9. ACCOUNTS

No monies at any time standing to the credit of any account (of any type and however designated) of the Company with HIF or in which the Company has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any third party

10. REPRESENTATIONS

10.1 General

The Company makes the representations and warranties set out in this clause 10 to HIF

10.2 No Security Interests

The Security Assets are, or when acquired will be, beneficially owned by the Company free from any Security Interest other than

- (a) as created by this Deed; and
- (b) as permitted by the Receivables Finance Facility Agreement

10.3 No avoidance

This Deed, to the best of the Company's knowledge and belief, creates the Security Interests which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Company or otherwise

10.4 Ownership of Security Assets

The Company is the sole legal and beneficial owner of all the Security Assets identified in schedule 2 (*Details of Security Assets*)

10.5 No proceedings pending or threatened

No litigation, arbitration or administrative proceeding has currently been started or threatened in relation to any Security Asset

10.6 Charged Securities

The Charged Securities are fully paid

10.7 Real Property

If the details of any Real Property have been completed in part 1 of schedule 2 (*Details of Security Assets*), those details identify all freehold and leasehold Real Properties which are beneficially owned by the Company at the date of this Deed

10.8 Time when representations made

- (a) All the representations and warranties in this clause 10 are made by the Company on the date of this Deed and (except for those in clause 10.7 (*Real Property*)) are also deemed to be made by the Company on the date of each Utilisation Request and on each Utilisation Date and each Notification under the Receivables Finance Facility Agreement
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

11. UNDERTAKINGS BY THE COMPANY

11.1 Restrictions on dealing

The Company shall not do or agree to do any of the following without the prior written consent of HIF

- (a) create or permit to subsist any Security Interest on any Security Asset except a Security Interest which is permitted by the Receivables Finance Facility Agreement,
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset except a disposal which is permitted by the Receivables Finance Facility Agreement and the sale at full market value of stock-in-trade in the usual course of trading as conducted by the Company at the date of this Deed

11.2 Security Assets generally

The Company shall

- (a) permit HIF (or its designated representatives), on reasonable written notice
 - (i) access during normal office hours to the accounting records of the Company and to any documents and records relating to the Security Assets, and
 - (ii) to inspect, take extracts from, and make photocopies of, the same,
- and to provide (at the expense of the Company), such clerical and other assistance which HIF may reasonably require to do this,

- (b) notify HIF upon receipt of every notice, order, application, requirement or proposal given by any competent authority in relation to any Security Asset referred to in schedule 2 (*Details of Security Assets*),
- (c) save for those referred to in clause 11 2(b), notify HIF within 14 days of receipt of every material notice, order, application, requirement or proposal given or made in relation to the Security Assets by any competent authority,
- (d) if required by HIF, promptly and in any event within 2 Business Days provide it with a copy of any notice, order, application, requirement or proposal referred to in clauses 11 2(b) and 11 2(c) and either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as HIF may require or approve,
- (e) duly and punctually pay all rates, rents, Taxes and other outgoings owed by it in respect of the Security Assets,
- (f) comply in all material respects with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under any bye-laws, regulations or requirements of any competent authority or other approvals, licences or consents,
- (g) comply with all covenants and obligations affecting the Security Assets (or their manner of use),
- (h) not, except with the prior written consent of HIF (such consent not to be unreasonably withheld or delayed), enter into any onerous or restrictive obligation affecting any Security Asset,
- (i) provide HIF with all information which it may reasonably request in relation to the Security Assets,
- (j) not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect)

11.3 Charged Securities

- (a) The Company shall, promptly and in any event within 2 Business Days upon a request by HIF by way of security for the Secured Obligations
 - (i) deposit with HIF, or as HIF may direct, all certificates and other documents of title or evidence of ownership to all or any of the Charged Securities and their Securities Rights, and
 - (ii) execute and deliver to HIF pre-stamped instruments of transfer in respect of all or any of the Charged Securities (executed in blank and left undated) and/or such other documents as HIF shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to all or any of the Charged Securities and their Securities Rights (or to pass legal title to any purchaser)
- (b) The Company shall immediately upon a request by HIF

- (i) give notice to any custodian of any agreement with the Company in respect of all or any of the Charged Securities and all present and future Securities Rights accruing to the Charged Securities, in a form HIF may require, and
- (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form HIF may require
- (c) Without prejudice to the rest of this clause 11.5, HIF may, at the expense of the Company, take whatever action is required for the dematerialisation or rematerialisation of all or any of the Charged Securities and all present and future Securities Rights accruing to the Charged Securities
- (d) The Company shall promptly pay all calls or other payments which may become due in respect of all or any of the Charged Securities and all present and future Securities Rights accruing to the Charged Securities

11.4 Rights in respect of Charged Securities and Securities Rights

- (a) Until a Termination Event occurs, the Company shall be entitled to
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities, and
 - (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Securities Rights or (B) is prejudicial to the interests of HIF.
- (b) At any time following the occurrence of a Termination Event which is continuing, HIF may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Company in favour of itself or such other person as it may select
- (c) At any time when any Charged Securities are registered in the name of HIF or its nominee, HIF shall be under no duty to
 - (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Securities are duly and promptly paid or received by it or its nominee, or
 - (ii) verify that the correct amounts are paid or received, or
 - (iii) take any action in connection with the taking up of any (or any offer of any) Securities Rights in respect of or in substitution for any such Charged Securities

11.5 Dealings with and realisation of Non-Vesting Debts and Excluded Proceeds

- (a) The Company shall only deal with Non-Vesting Debts and the proceeds thereof and the Associated Rights thereto as if they were assigned to HIF in accordance with the Receivables Finance Facility Agreement
- (b) The Company agrees that the Excluded Proceeds shall be dealt with as if they were the proceeds of Debts assigned or purportedly assigned to HIF in accordance with the terms of the Receivables Finance Facility Agreement

11.6 Intellectual Property

Unless HIF is of the opinion that the relevant Intellectual Property is of minor importance to the Company, the Company shall

- (a) do all acts as are reasonably practicable to maintain, protect and safeguard (including, without limitation, registration with all relevant authorities) its Intellectual Property and not discontinue the use of any of its Intellectual Property, and
- (b) take all such reasonable steps, including the commencement of legal proceedings, as may be necessary to safeguard and maintain the validity, reputation, integrity, registration or subsistence of its Intellectual Property

11.7 Insurances

In relation to any Insurances, the Company shall at all times comply with the provisions of clause 26 25 (*General Undertakings*) of the Receivables Finance Facility Agreement as if the same were set out in this Deed

12. POWER TO REMEDY

12.1 Power to remedy

If at any time the Company does not comply with any of its obligations under this Deed, HIF (without prejudice to any other rights arising as a consequence of such non-compliance) shall, if the Company fails or refuses to rectify the non-compliance on demand by HIF, be entitled (but not bound) to rectify that default. The Company irrevocably authorises HIF and its employees and agents by way of security to do all things (including entering the property of the Company) which are necessary or desirable to rectify that default

12.2 Mortgagee in possession

The exercise of the powers of HIF under this clause 12 shall not render it liable as a mortgagee in possession

12.3 Monies expended

The Company shall pay to HIF on demand any monies which are expended by HIF in exercising its powers under this clause 12, together with interest at the Default Rate from the date on which those monies were expended by HIF (both before and after judgment) and otherwise in accordance with clause 2 2 (*Default interest*)

13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of a Termination Event

13.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Termination Event

13.3 Enforcement

After this Security has become enforceable, HIF may in its absolute discretion enforce all or any part of the Security in such manner as it sees fit

14. ENFORCEMENT OF SECURITY

14.1 General

For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Security. The statutory powers of leasing conferred on HIF are extended so as to authorise HIF to lease, make agreements for leases, accept surrenders of leases and grant options as HIF may think fit and without the need to comply with section 99 or 100 of the Act.

14.2 Powers of HIF

- (a) At any time after the Security becomes enforceable (or if so requested by the Company by written notice at any time), HIF may without further notice (unless required by law)
 - (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets, and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Company, and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver, and/or
 - (iv) exercise (in the name of the Company and without any further consent or authority of the Company) any voting rights and any powers or rights which may be exercised by the person(s) in whose name the Charged Investments are registered or who is the holder of any of them
- (b) HIF is not entitled to appoint a Receiver in respect of any Security Assets which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Company

14.3 Redemption of prior mortgages

At any time after the Security has become enforceable, HIF may

- (a) redeem any prior Security Interest against any Security Asset, and/or
- (b) procure the transfer of that Security Interest to itself, and/or
- (c) settle and pass the accounts of the holder of any prior Security Interest and any accounts so settled and passed shall be conclusive and binding on the Company

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Company to HIF on demand

14.4 Privileges

- (a) Each Receiver and HIF is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Company under this Deed constitute a "*security financial collateral arrangement*" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No 3226)) each Receiver and HIF shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations
- (c) For the purpose of clause 14.4(b) above, the value of the financial collateral appropriated shall be such amount as the Receiver or HIF reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it

14.5 No liability

- (a) Neither HIF nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct)
- (b) Without prejudice to the generality of clause 14.5(a), neither HIF nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable

14.6 Protection of third parties

No person (including a purchaser) dealing with HIF or any Receiver or its or his agents will be concerned to enquire

- (a) whether the Secured Obligations have become payable, or
- (b) whether any power which HIF or the Receiver is purporting to exercise has become exercisable, or
- (c) whether any money remains due under any Finance Document, or
- (d) how any money paid to HIF or to the Receiver is to be applied

15. RECEIVER

15.1 Removal and replacement

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

15.2 Multiple Receivers

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

15.3 Remuneration

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

15.4 Payment by Receiver

Only monies actually paid by a Receiver to HIF in relation to the Secured Obligations shall be capable of being applied by HIF in discharge of the Secured Obligations

15.5 Agent of Company

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

16. POWERS OF RECEIVER

16.1 General powers

Any Receiver shall have

- (a) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act,
- (b) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986, and
- (c) all powers which are conferred by any other law conferring power on receivers.

16.2 Additional powers

In addition to the powers referred to in clause 16.1 (*General powers*), a Receiver shall have the following powers.

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed,
- (b) to manage the Security Assets and the business of the Company as he thinks fit,

- (c) to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise,
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act. Fixtures may be severed and sold separately from the Real Property containing them, without the consent of the Company. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party). Any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit,
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Company was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land),
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Company and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Company,
- (g) to take any such proceedings (in the name of the Company or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment),
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit,
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as HIF shall direct),
- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm),
- (k) to form one or more Subsidiaries of the Company, and to transfer to any such Subsidiary all or any part of the Security Assets,
- (l) to operate any rent review clause in respect of any Real Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease; and
- (m) to
 - (1) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset,

(ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets, and

(iii) use the name of the Company for any of the above purposes

17. APPLICATION OF PROCEEDS

17.1 Application

All monies received by HIF or any Receiver after the Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Security) be applied in the following order:

- (a) *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by HIF or any Receiver and of all remuneration due to the Receiver in connection with this Deed or the Security Assets,
- (b) *secondly*, in or towards satisfaction of the remaining Secured Obligations, and
- (c) *thirdly*, in payment of any surplus to the Company or other person entitled to it

17.2 Contingencies

If the Security is enforced at a time when no amounts are due to HIF, but at a time when amounts may become so due, HIF or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account

18. SET-OFF

18.1 Set-off

- (a) HIF may (but shall not be obliged to) set off any obligation (present, future, actual, contingent, liquidated, unliquidated or unascertained) which is due and payable by the Company to HIF (whether arising under the Finance Documents or otherwise) and unpaid against any obligation (whether or not matured) owed by HIF to the Company, regardless of the place of payment, booking branch or currency of either obligation
- (b) If the obligations are in different currencies, HIF may convert either obligation to sterling at a market rate of exchange in its usual course of business for the purpose of the set off
- (c) If either obligation is unliquidated or unascertained, HIF may set off in an amount estimated by it in good faith to be the amount of that obligation

18.2 Time deposits

Without prejudice to clause 18.1 (*Set-off*), if any time deposit matures on any account which the Company has with HIF at a time within the Security Period when

- (a) this Security has become enforceable, and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as HIF in its absolute discretion considers appropriate unless HIF otherwise agrees in writing

19. DELEGATION

HIF and 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 upon any terms (including power to sub-delegate) which it may think fit. Neither HIF nor any Receiver shall be in any way liable or responsible to the Company for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

20. FURTHER ASSURANCES

20.1 Further action

The Company shall, at its own expense, promptly take whatever action HIF or a Receiver may require for

- (a) creating, perfecting or protecting the Security Interests intended to be created by this Deed, and
- (b) facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable by HIF or any Receiver or any of its or his delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to HIF or to its nominees, the giving of any notice, order or direction and the making of any registration, which, in any such case, HIF may think expedient

20.2 Specific security

Without prejudice to the generality of clause 20.1 (*Further action*), the Company shall forthwith at the request of HIF execute a legal mortgage, charge, assignment, assignation or other security over any Security Asset which is subject to or intended to be subject to any fixed security created by this Deed in favour of HIF (including any arising or intended to arise pursuant to clause 6 (*Conversion of floating charge*)) in such form as HIF may require

21. POWER OF ATTORNEY

The Company, by way of security, irrevocably and severally appoints HIF, each Receiver and any of its or his delegates or sub-delegates to be its attorney to take any action which the Company is obliged to take under this Deed, including under clause 20 (*Further assurances*). The Company ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

22. PAYMENTS

22.1 Payments

Subject to clause 22.2 (*Gross-up*), all payments to be made by the Company in respect of this Deed shall be made

- (a) in immediately available funds to the credit of such account as HIF may designate, and

- (b) without (and free and clear of, and without any deduction for, or on account of)
 - (i) any set-off or counterclaim, or
 - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax.

22.2 Gross-up

If the Company is compelled by law to make any deduction or withholding from any sum payable under this Deed to HIF, the sum so payable by the Company shall be increased so as to result in the receipt by HIF of a net amount equal to the full amount expressed to be payable under this Deed

23. STAMP DUTY

The Company shall

- (a) pay all present and future stamp, registration and similar Taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this Deed, or any judgment given in connection therewith, and
- (b) indemnify HIF and any Receiver on demand against any and all costs, losses or liabilities (including, without limitation, penalties) with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar Taxes or charges

24. COSTS AND EXPENSES

24.1 Transaction and amendment expenses

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

- (a) the negotiation, preparation, printing, execution, registration, perfection and completion of this Deed, the Security or any document referred to in this Deed, or
- (b) any actual or proposed amendment or extension of, or any waiver or consent under, this Deed

24.2 Enforcement and preservation costs

The Company shall promptly on demand pay to HIF and any Receiver the amount of all reasonable costs, charges and expenses (including, (without limitation) legal fees (and any VAT or similar Tax thereon)) incurred by it in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of its rights under this Deed or the Security or any document referred to in this Deed (including all remuneration of the Receiver)

24.3 Default interest

Any amount demanded under clause 24.1 (*Transaction and amendment expenses*) or 24.2 (*Enforcement and preservation costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those costs, charges or expenses were paid, incurred or charged by the relevant person and otherwise in accordance with clause 2.2 (*Default interest*)

25. CURRENCIES

25.1 Conversion

All monies received or held by HIF or any Receiver under this Deed may be converted from their existing currency into sterling at the Spot Rate of Exchange. The Company shall indemnify HIF against all costs, charges and expenses incurred in relation to such conversion. Neither HIF nor any Receiver shall have any liability to the Company in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

25.2 Currency indemnity

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

26. INDEMNITY

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

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed,
- (b) the Security Assets or the use or occupation of them by any person (including any Environmental Claim), or
- (c) any breach by the Company of any of its obligations under this Deed.

27. MISCELLANEOUS

27.1 Appropriation and suspense account

- (a) HIF may apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations as it thinks fit. Any such appropriation shall override any appropriation by the Company.

- (b) All monies received, recovered or realised by HIF under, or in connection with, this Deed may at the discretion of HIF be credited to a separate interest bearing suspense account for so long as HIF requires until the Secured Obligations can be discharged in full (with interest accruing thereon at such commercial rate, if any, as HIF may determine for the account of the Company) without HIF having any obligation to apply such monies and interest or any part thereof in or towards the discharge of any of the Secured Obligations

27.2 New accounts

If HIF receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security Interest affecting any Security Asset and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for the Company. If it 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 to HIF will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

27.3 Changes to the Parties

- (a) The Company may not assign any of its rights under this Deed.
- (b) HIF may assign or transfer or grant participations in all or any part of its rights under this Deed in accordance with the Receivables Finance Facility Agreement. The Company shall, promptly and in any event within 2 Business Days upon being requested to do so by HIF, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

27.4 Memorandum and articles

The Company certifies that the Security does not contravene any of the provisions of the memorandum or articles of association of the Company.

27.5 Tacking

- (a) HIF shall perform its obligations under the Receivables Finance Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

27.6 HM Land Registry

- (a) The Company shall apply to the Chief Land Registrar (and consents to an application being made by or on behalf of HIF) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at HM Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted:

"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 charge dated [◆] 20[◆] in favour of HSBC Invoice Finance (UK) Limited referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or conveyancer [◆ or specify appropriate details] "

(b) The Company

- (i) authorises HIF to make any application which HIF deems appropriate for the designation of this Deed, the Receivables Finance Facility Agreement or any other Finance Document as an exempt information document under rule 136 of the Land Registration Rules 2003,
 - (ii) shall use its best endeavours to assist with any such application made by or on behalf of HIF, and
 - (iii) shall notify HIF in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed, the Receivables Finance Facility Agreement or any other Finance Document, following its designation as an exempt information document
- (c) The Company shall not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document
- (d) The Company shall promptly make all applications to and filings with HM Land Registry which are necessary or desirable under the Land Registration Rules to protect the Security
- (e) The Company shall not without the prior written consent of HIF, permit any person to be or become registered under the Land Registration Act 2002 as the proprietor of a Security Asset who is not so registered under the Land Registration Act 2002 at the date of this Deed or, in the case of Real Property acquired after the date of this Deed, at the date of such acquisition

27.7 Amendments and waivers

Any provision of this Deed may be amended only if HIF and the Company so agree in writing and any breach of this Deed may be waived before or after it occurs only if HIF so agrees in writing. A waiver given or consent granted by HIF under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given

27.8 Calculations and certificates

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

27.9 Waiver, rights and remedies

No failure to exercise, nor any delay in exercising, on the part of HIF, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

28. NOTICES

28.1 Serving notice on the Company

- (a) Any notice in writing by HIF to the Company under the Finance Documents or any legal proceedings issued in HIF's name which have to be served on the Company shall be given or served if delivered or posted to the Company at

- (i) the Company's address stated in this Deed, or
- (ii) the Company's registered office, or
- (iii) any address at which the Company carries on, or was last known to carry on, business

Such notice may also be given by facsimile transmission to the Company's number or address notified to HIF for communication by such means. It may also be handed personally to any officer of the Company.

- (b) Any such notice or proceedings shall be considered served

- (i) if delivered, at the time of delivery, or
- (ii) if sent by post, on the second day following the date of posting, or
- (i) if sent by facsimile transmission, at the time of transmission

28.2 Serving notice on HIF

Any notice in writing by the Company to HIF under this Deed shall take effect at the time it is received by HIF at HIF's registered office or at such other address as HIF may give to the Company in writing for this purpose, and then only if marked for the attention of the department or officer identified with HIF's name below (or any substitute department or officer as HIF shall specify for this purpose)

29. ELECTRONIC COMMUNICATIONS

Save any notice given by HIF by facsimile transmission, no communication to be made under this Deed shall be made electronically.

30. PARTIAL INVALIDITY

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

31. RELEASE

- 31.1 Upon the expiry of the Security Period (but not otherwise) HIF shall, at the request and reasonable cost of the Company, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security

31 2 Where any discharge (whether in respect of the obligations of the Company or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Company under this Deed shall continue as if the discharge or arrangement had not occurred. HIF may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

32. COUNTERPARTS

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

33. GOVERNING LAW

This Deed is governed by English law.

IN WITNESS of which this Deed has been duly executed by the Company as a deed and duly executed by HIF and has been delivered on the first date specified on page 1 of this Deed.

SCHEDULE 1

The Company

Name	Registered number	Registered address	Fax number for service
Blue Group International Holdings Limited	04171692	10 Old Bailey, London, EC4M 7NG	020 7451 1452

SCHEDULE 2

Details of Security Assets

Part 1 - Real Property

Registered land			
Address	Administrative area		Title number
Unregistered land			
Address	Document describing the Real Property		
	Date	Document	Parties

Part 2 - Specified P&M

P&M

Part 3 - Charged Securities

Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
HCL Social Care Limited	Ordinary shares of £1	1	£1

Part 4 - Credit Insurance Policy

Insurer	Insured risks	Policy number

Part 5 - Inventory Insurance Policy

Insurer	Insured risks	Policy number

Part 6 - P&M Insurance Policy

Insurer	Insured risks	Policy number

Part 7 - Real Estate Insurance Policy

Insurer	Insured risks	Policy number

EXECUTION PAGE

HIF

Signed as a Deed)
By)
)
as Attorney of)
HSBC INVOICE FINANCE (UK) LIMITED)
in the presence of:) _____
Attorney

Witness signature

Name

Occupation Invoice Finance Official

Witness Address Farncombe Road
Worthing, West Sussex
BN11 2BW

COMPANY

Executed as a deed, but not delivered until the)
first date specified on page 1, by)
BLUE GROUP INTERNATIONAL)
HOLDINGS LIMITED)
by a director in the presence of a witness)

Signature

Name (block capitals) ..
Director

Witness signature

Witness name
(block capitals)

Witness address
.
.
.

EXECUTION PAGE

HIF

Signed as a Deed
By

Richard Corthine

as Attorney of
HSBC INVOICE FINANCE (UK) LIMITED
in the presence of

Attorney

Witness signature

Name

Steven James P. Smith

Occupation

Invoice Finance Official

Witness Address

Farncombe Road
Worthing, West Sussex
BN11 2BW

COMPANY

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first date specified on page 1, by)
BLUE GROUP INTERNATIONAL)
HOLDINGS LIMITED)
by a director in the presence of a witness)

Signature

Name (block capitals)

Director

Witness signature

Witness name

(block capitals)

Witness address

EXECUTION PAGE

HIF

Signed as a Deed

By

as Attorney of

HSBC INVOICE FINANCE (UK) LIMITED

in the presence of

)
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Attorney

Witness signature

Name

Occupation

Invoice Finance Official

Witness Address

Farncombe Road
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COMPANY

Executed as a deed, but not delivered until the)
first date specified on page 1, by)
BLUE GROUP INTERNATIONAL)
HOLDINGS LIMITED)
by a director in the presence of a witness)

Signature

Name (block capitals)

J M KROUSE
Director

Witness signature

Witness name

MEGAN WRIGHT
(block capitals)

Witness address

48 CHANCERY LANE
LONDON
WC2A 2JF