



Registration of a Charge

Company Name: **EXCHANGE SUPPLIES LIMITED**

Company Number: **04549601**



Received for filing in Electronic Format on the: **25/07/2022**

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Details of Charge

Date of creation: **22/07/2022**

Charge code: **0454 9601 0004**

Persons entitled: **NC SCT COMMUNITY INTEREST COMPANY**

Brief description: **ALL THAT FREEHOLD PROPERTY KNOWN AS UNIT 3, GREAT WESTERN INDUSTRIAL CENTRE, DORCHESTER, DORSET, DT1 1RD AS THE SAME IS MORE PARTICULARLY DESCRIBED IN AND SHOWN EDGED RED ON THE PLAN ANNEXED TO A CONVEYANCE DATED THE 11TH DAY OF JANUARY 1984 AND MADE BETWEEN OBLIGRANGE LIMITED (1) AND BERNARD ROY BEER (2) ALL THAT FREEHOLD PROPERTY KNOWN AS UNIT 2B, GREAT WESTERN INDUSTRIAL CENTRE, DORCHESTER, DORSET, DT1 1RD AS THE SAME IS MORE PARTICULARLY DESCRIBED IN AND SHOWN EDGED RED ON THE PLAN ANNEXED TO A CONVEYANCE DATED THE 6TH DAY OF MARCH 1984 AND MADE BETWEEN GREAT WESTERN DEVELOPMENTS LIMITED (1) AND BERNARD ROY BEER (2)**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED
AS PART OF THIS APPLICATION FOR REGISTRATION IS A
CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **PARIS SMITH LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4549601

Charge code: 0454 9601 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd July 2022 and created by EXCHANGE SUPPLIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th July 2022 .

Given at Companies House, Cardiff on 26th July 2022

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



Companies House



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

THIS LEGAL CHARGE is made on

22 July

2022

BETWEEN:

- (1) **EXCHANGE SUPPLIES LIMITED** incorporated and registered in England and Wales with company number 04549601 whose registered office is at 1 Great Western Industrial Centre, Dorchester, Dorset, DT1 1RD (the "**Chargor**"); and
- (2) **NCSCT COMMUNITY INTEREST COMPANY** incorporated and registered in England and Wales with company number 07394485 whose registered office is at Unit 1 Great Western Industrial Centre, Dorchester, Dorset, DT1 1RD (the "**Lender**").

IT IS AGREED:

1 **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Deed the following terms have the following meanings:

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

"**Assigned Assets**" means the Security Assets expressed to be assigned pursuant to clause 4.2;

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

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

"**Environment**" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water);

"**Environmental Law**" means any applicable law or regulation which relates to the pollution or protection of the Environment, the conditions of the workplace, or the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste;

"**Environmental Permits**" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of the Chargor conducted on or from the properties owned or used by the Chargor;

"**Event of Default**" has the meaning given to that expression under the Facility Agreement.

"**Facility Agreement**" means the £210,000 term loan facility agreement dated on or about the date of this Deed between the Chargor and the Lender.

"**Lease**" means any lease or other agreement permitting occupation of any of the Property or to which any of the Property may from time to time be subject;

"**Party**" means a party to this Deed;

"**Permitted Disposal**" means any disposal:

- (a) with the prior written consent of the Lender; or
- (b) expressly permitted under a finance or credit agreement between the Chargor and the Lender under which Secured Obligations arise;

"**Permitted Security**" means any Security or Quasi-Security;

- (a) with the prior written consent of the Lender;
- (b) expressly permitted under a finance or credit agreement between the Chargor and the Lender under which Secured Obligations arise; or
- (c) created by this Deed;

"Planning Acts" means:

- (a) the Town and Country Planning Act 1990;
- (b) the Planning (Listed Buildings and Conservation Areas) Act 1990;
- (c) the Planning (Hazardous Substances) Act 1990;
- (d) the Planning (Consequential Provisions) Act 1990;
- (e) the Planning and Compensation Act 1991;
- (f) the Planning Act 2008;
- (g) the Localism Act 2011;
- (h) any regulations made pursuant to any of the foregoing; and
- (i) any other legislation of a similar nature;

"Premises" means all buildings and erections included in the definition of "Property";

"Property" means the property in England and Wales specified in schedule 1 (The Property) and each and every part of it, including, where the context permits:

- (a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time on that property;
- (b) all easements, servitudes and rights in respect of that property;
- (c) all rents from and proceeds of sale of that property; and
- (d) the benefit of all covenants given in respect of that property;

"Quasi-Security" means an arrangement or transaction to:

- (a) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (b) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (c) enter into any other preferential arrangement having a similar effect;

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Lender;

"Secured Obligations" means all moneys and all obligations and liabilities now or hereafter due, owing or incurred by the Chargor to the Lender when the same become due for payment or discharge whether by acceleration or otherwise, and whether such moneys, obligations or liabilities are expressed or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Lender or purchased or otherwise acquired by it; denominated in sterling or in any other currency; or incurred on any banking account or in any other manner whatsoever (including all monies covenanted to be paid under this Deed);

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

"Security Asset" means all the assets charged by the Chargor to the Lender pursuant to clauses 3 to 5 (inclusive) of this Deed;

"Security Interest" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect; and

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid and

discharged in full; and the Lender has no further commitment, obligation or liability to make any finance credit or other accommodation available to the Chargor.

1.2 Interpretation

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

1.2.1.1 the "**Chargor**" or the "**Lender**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

1.2.1.2 "**this Deed**" or any other agreement or instrument shall be construed as a reference to this Deed 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 Chargor or provides for further advances);

1.2.1.3 an Event of Default that is "**continuing**" shall be construed as meaning an Event of Default that has not been waived in writing by the Lender;

1.2.1.4 "**Including**" or "**includes**" means including or includes without limitation;

1.2.1.5 "**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 Chargor;

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

1.2.1.7 the singular includes the plural and vice versa.

1.2.2 References to clauses and schedule are to be construed, unless otherwise stated, as references to clauses and the schedule of this Deed and references to this Deed include its schedules.

1.2.3 Clause and schedule headings shall not affect the construction of this Deed.

1.2.4 Each undertaking of the Chargor (other than a payment obligation) contained in this Deed must be complied with at all times during the Security Period.

1.2.5 The terms of any side letters between any of the parties are incorporated in this Deed to the extent required to ensure that any disposition of the Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.2.6 If the Lender reasonably considers that an amount paid by the Chargor to it under this Deed is capable of being avoided or otherwise set aside on the liquidation, administration, bankruptcy, insolvency, death or incapacity of the Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.2.7 If two or more persons are included in the definition "**Chargor**" then the use in this deed of the word "**Chargor**" shall be deemed to refer to such persons both together and separately and the Chargor's obligations shall be their joint and several obligations and each of them shall be primarily liable by way of indemnity for the liabilities to the Lender of the other or others of them.

1.2.8 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.

2 COVENANT TO PAY

2.1 Covenant to pay

The Chargor, as principal obligor and not merely as surety, covenants in favour of the Lender that it will pay and discharge the Secured Obligations from time to time when they fall due, or if there is no due date, on demand.

2.2 Certain liabilities

The liabilities referred to in clause 2.1 shall, without limitation, include:

- 2.2.1 all liabilities under or in connection with foreign exchange transactions, interest rate swaps and hedging transactions and other arrangements entered into for the purpose of limiting exposure to fluctuations in interest or exchange rates;
- 2.2.2 all liabilities arising from the issue, acceptance, endorsement, confirmation or discount of any negotiable or non-negotiable instruments, documentary or other credits, bonds, guarantees, indemnities or other instruments of any kind;
- 2.2.3 interest (both before and after judgment) to date of payment at such rates and on such terms as may from time to time be agreed, commission, fees and other charges and all legal and other costs, charges and expenses on a full and unqualified indemnity basis which may be incurred by the Lender in relation to any such moneys, obligations or liabilities or generally in respect of the Chargor; and
- 2.2.4 all costs, charges, expenses and liabilities incurred as a result of or pursuant to the exercise of the rights and powers contained in this Deed.

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:

- 3.1.1 in favour of the Lender;
- 3.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- 3.1.3 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 Chargor 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 it, or in which it from time to time has an interest:

- 4.1.1 by way of first legal mortgage the Property;
- 4.1.2 by way of first fixed charge:
 - 4.1.2.1 the benefit of all agreements relating to the Property;
 - 4.1.2.2 all fittings at any time on the Property;
 - 4.1.2.3 the proceeds of sale of all or any part of the Property;
 - 4.1.2.4 the benefit of any rental deposit given or charged to the Chargor by any occupier of the Property;
- 4.1.3 by way of first fixed charge (insofar as not mortgaged by clause 4.1.1 or charged by clause 4.1.2):
 - 4.1.3.1 all present and future rents and other sums due to the Chargor under any Lease;
 - 4.1.3.2 all plant and machinery and the benefit of all contracts, licences and warranties relating to the same; and

4.1.4 to the extent that any Assigned Asset is not effectively assigned under clause 4.2 by way of first fixed charge such Assigned Asset; and

4.1.5 the benefit of all licences, consents, and Authorisations held or used in connection with the Chargor's ownership or use of the Property.

4.2 Security assignments

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

4.2.1 all present and future rents and other sums due to the Chargor under any Lease (to the extent not validly mortgaged under clause 4.1.1); and

4.2.2 all insurance policies relating to the Property, all claims under those insurance policies and all proceeds of those claims under the insurance policies.

To the extent that any Assigned Asset described in clause 4.2.2 is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Insurances.

4.3 Notice of assignment and/or charge

Immediately upon request by the Lender and in any event immediately on the occurrence of an Event of Default, the Chargor shall:

4.3.1 in respect of each Lease, deliver a duly completed notice to each tenant and each other party to that Lease and shall use its reasonable endeavours to procure that each such party executes and delivers to the Lender an acknowledgement, in each case in the respective forms set out in schedule 2 (Form of notice to and acknowledgement by tenant) or such other form as the Lender shall agree; and

4.3.2 in respect of each insurance policy in which it has an interest, deliver a duly completed notice of assignment to each insurer under any insurance policy in which it has an interest, and shall use its reasonable endeavours to procure that each such party executes and delivers to the Lender an acknowledgement, in each case in the respective forms set out in schedule 3 (Form of notice to and acknowledgement by insurers) or such other form as the Lender shall agree.

4.4 Assigned Assets

The Lender 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 Chargor charges and agrees to charge by way of first floating charge:

5.1 all moveable plant, machinery, implements, utensils, furniture and equipment now or from time to time placed on or used in or upon the Property; and

5.2 the benefit of all licences, contracts, guarantees and warranties in connection with the same.

6 CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

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

6.1.1 an Event of Default has occurred and is continuing; or

6.1.2 the Lender considers any Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

6.2 Small companies

The floating charge created under this Deed by the Chargor 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 Chargor.

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:

6.3.1 in relation to any Security Asset which is subject to a floating charge if:

6.3.1.1 the Chargor creates (or attempts or purports to create) any Security Interest on or over the relevant Security Asset without the prior written consent of the Lender; or

6.3.1.2 any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and

6.3.2 over all Security Assets of the Chargor which are subject to a floating charge if, in the case of a Chargor which is a body corporate, an administrator is appointed in respect of the Chargor or the Lender receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986).

6.4 Partial conversion

The giving of a notice by the Lender pursuant to clause 6.1 in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Lender to serve similar notices in respect of any other class of assets or any other right of the Lender.

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, performance 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 the Lender may at any time hold for any of the Secured Obligations.

7.3 Right to enforce

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

8 LIABILITY OF CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Lender 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 REPRESENTATIONS

9.1 General

The Chargor makes the representations and warranties set out in this clause 9 to the Lender.

9.2 No Security Interests

The Property is legally and beneficially owned by the Chargor free from any Security Interest other than as created by this Deed.

9.3 No avoidance

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

9.4 Ownership of Property

The Chargor is the sole legal and beneficial owner of the Property and the Premises.

9.5 No proceedings pending or threatened

No litigation, arbitration or administrative proceeding has currently been started or threatened in relation to the Property.

9.6 Time when representations made

All the representations and warranties in this clause 9 are made by the Chargor on the date of this Deed and are also deemed to be made by the Chargor on each day of the Security Period. 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.

10 GENERAL UNDERTAKINGS

10.1 Negative pledge and disposals

The Chargor shall not do or agree to do any of the following:

10.1.1 create or permit to subsist any Security or Quasi-Security over the Security Assets other than Permitted Security; or

10.1.2 sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset other than a Permitted Disposal.

10.2 Compliance with obligations and laws

The Chargor shall:

10.2.1 duly and punctually pay all rates, rents, taxes, and other outgoings owed by it in respect of the Property;

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

10.2.3 comply with all covenants and obligations affecting the Property (or its manner of use);

10.2.4 obtain and keep in full force and effect all requisite Environmental Permits and at all times comply in all material respects with those Environmental Permits and all other applicable Environmental Laws;

10.2.5 not, except with the prior written consent of the Lender enter into any onerous or restrictive obligation affecting any Security Asset;

10.2.6 provide the Lender with all information it may reasonably request in relation to the Security Assets; and

10.2.7 not do, cause or permit to be done anything which may to a material extent depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

11 PROPERTY UNDERTAKINGS

11.1 Property management

The Chargor must diligently manage or procure the management of the Property in accordance with the principles of good estate management and promptly notify the Lender of any material default by any lessee or other occupier of the Property.

11.2 No restrictive contracts

The Chargor shall not, except with the prior written consent of the Lender, enter into any onerous or restrictive obligation affecting the Property.

11.3 No leasing

The Chargor shall not, except with the prior written consent of the Lender, confer on any person:

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

11.3.2 any right or licence to occupy any land or Premises forming part of the Property; or

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

11.4 No development

The Chargor shall not without the prior written consent of the Lender:

11.4.1 make any alteration to the Property or any Premises; or

11.4.2 carry out any development within the meaning of the Planning Acts in or upon any part of the Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure of, or a change of use of, any part of the Property.

11.5 Repair

The Chargor must:

11.5.1 ensure all buildings and erections from time to time upon the Property and all fittings, plant and machinery on the Property are in good and substantial repair;

11.5.2 when necessary replace, or procure the replacement of, the same with items of similar quality and value.

11.6 Occupational leases

Where the Property or any part of it is subject to any lease or tenancy, the Chargor shall perform and observe all the covenants and other matters on its part as landlord contained in such lease or tenancy and the Chargor shall not, without the prior written consent of the Lender:

11.6.1 release or amend or vary the terms of any such lease or tenancy;

11.6.2 agree any rent review of any such lease or tenancy;

11.6.3 give any consent where the consent of the landlord is required in any such lease or tenancy nor agree to the assignment of any such lease or tenancy;

11.6.4 accept a surrender of any such lease or tenancy,

and the Chargor shall serve on any former tenant a notice under section 17(2) of the Landlord and Tenant (Covenants) Act 1995 or on any guarantor of any such former tenant a notice under that section 17(3) of that Act promptly (and in any event within the timescales contained in that Act).

11.7 Leasehold Property (Chargor as lessee)

If the Chargor holds the Property or any part of it as tenant or lessee, the Chargor shall:

11.7.1 not do nor permit to be done anything as a result of which any lease may be liable to forfeiture or otherwise be determined;

11.7.2 pay the rents reserved by, and perform and observe all the covenants and conditions of the lessee contained in, the lease;

11.7.3 enforce against the lessor the covenants given by the lessor in the lease;

11.7.4 not amend or waive or vary the terms of such lease without the prior written consent of the Lender;

11.7.5 immediately notify the Lender of any event or circumstance which may lead to the lease being forfeit or subject to determination.

11.8 Deposit of title documents

The Chargor shall:

11.8.1 unless the Lender otherwise confirms in writing, deposit with the Lender:

11.8.1.1 all deeds and documents of title relating to the Security Assets; and

11.8.1.2 all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of the Chargor,

(each of which the Lender may hold throughout the Security Period); and

11.8.2 immediately on request by the Lender, affix to any plant, machinery, fixtures, fittings, computers, office equipment on the Property (in a prominent position) a durable notice of this Deed (in any form required by the Lender).

11.9 Notices

The Chargor shall notify the Lender within 10 days of receipt of every material notice, order, application, requirement or proposal given or made in relation to the Property by any competent authority, and (if required by the Lender) immediately provide it with a copy of the same and either:

11.9.1 comply with such notice, order, application, requirement or proposal; or

11.9.2 make such objections to the same as the Lender may require or approve.

11.10 Information

The Chargor shall provide the Lender with all information which it may reasonably request in relation to the Property.

11.11 Inspection

The Chargor shall permit the Lender and any person nominated by it at reasonable times and with reasonable notice to enter any part of the Property and view the state of it.

11.12 Investigations

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

11.13 Not prejudice

The Chargor shall not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of the Property (or make any omission which has such an effect).

12 INSURANCE UNDERTAKINGS

12.1 The Chargor shall keep the Property, the Premises and all fixtures and fittings from time to time upon the Property insured at its own expense with insurers previously approved by the Lender in writing.

12.2 Such insurance shall:

12.2.1 provide cover against: (A) loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft (other than hostile aircraft) and other aerial devices and articles dropped from them, riot, terrorism, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes, subsidence; and (B) such other risks and contingencies as are insured in accordance with sound commercial practice or which the Lender may direct from time to time,

- 12.2.2 include an entitlement to receive the full replacement value or reinstatement cost from time to time of the relevant Property (including, where applicable, architects', surveyors' and other professional fees, the cost of demolition and site clearance, the costs of shoring up and three years' loss of rent, in each such case subject to automatic index adjustment); and
- 12.2.3 note the Lender as co-insured and sole loss payee under and have the sole right to settle or sue for any such claim and to give any discharge for insurance monies.
- 12.3 The Chargor shall:
- 12.3.1 promptly pay all premiums relating to such insurances; and
- 12.3.2 supply to the Lender on request copies of each such policy of insurance together with the current premium receipts relating to it.
- 12.4 The Chargor shall not do or permit to be done or omit to do anything which may render any insurance required to be maintained pursuant to this clause 12 void, voidable or unenforceable (in whole or in part) and will not amend or terminate any such insurance.
- 12.5 If at any time the Chargor defaults in effecting or keeping up the insurance required to be maintained pursuant to this clause 12 or in producing any insurance policy or receipt to the Lender on demand, the Lender may (without prejudice to its rights under clause 13 take out or renew such policies of insurance in any sum which the Lender may reasonably think expedient. All monies which are expended by the Lender in doing so shall be deemed to be properly paid by the Lender and shall be reimbursed by the Chargor on demand.
- 12.6 In relation to the proceeds of the insurance required to be maintained pursuant to this clause 12:
- 12.6.1 the Chargor shall notify the Lender if any claim arises or may be made under any such insurance;
- 12.6.2 all claims and monies received or receivable under any such insurance shall (subject to the rights or claims of any lessor or landlord of any part of the Property and subject to the Chargor's obligations to its tenants under any lease or tenancy of any part of the Property) be applied in repairing, replacing, restoring or rebuilding the Property damaged or destroyed or, after the occurrence of an Event of Default which is continuing, in permanent reduction of the Secured Obligations.
- 13 **POWER TO REMEDY**
- 13.1 **Power to remedy**
- If at any time the Chargor does not comply with:
- 13.1.1 any of its obligations under this Deed; or
- 13.1.2 any contractual, statutory, common law or other legal obligation affecting the Property,
- the Lender (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Lender and its employees and agents by way of security to do all such things which are necessary or desirable to rectify that default (including entering the Property, complying with or objecting to any notice served on the Chargor in respect of the Property or taking any action which the Lender may consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice).
- 13.2 **Mortgagee in possession**
- The exercise of the powers of the Lender under this clause 13.2 shall not render it liable as a mortgagee in possession.
- 13.3 **Monies expended**
- The Chargor shall pay to the Lender on demand any monies which are expended by the Lender in exercising its powers under this clause 13.3.

14 WHEN SECURITY BECOMES ENFORCEABLE

14.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default.

14.2 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 Event of Default.

14.3 Enforcement

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

15 ENFORCEMENT OF SECURITY

15.1 General

For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Security.

15.2 Powers of leasing

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

15.3 Powers of Lender

15.3.1 At any time after the Security becomes enforceable, the Lender may without further notice (unless required by law):

15.3.1.1 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

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

15.3.1.3 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.

15.3.2 The Lender is not entitled to appoint a Receiver in respect of any Security Assets of the Chargor 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 Chargor.

15.4 Redemption of prior mortgages

At any time after the Security has become enforceable, the Lender may:

15.4.1 redeem any prior Security Interest against the Property; and/or

15.4.2 procure the transfer of that Security Interest to itself; and/or

15.4.3 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 Chargor.

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

15.5 Privileges

Each Receiver and the Lender 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.

15.6 No liability

15.6.1 Neither the Lender nor any Receiver shall be liable (A) in respect of all or any part of the Property 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).

15.6.2 Without prejudice to the generality of clause 15.6.1, neither the Lender nor any Receiver shall be liable, by reason of entering into possession of the Property, 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.

15.7 Protection of third parties

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

15.7.1 whether the Secured Obligations have become payable; or

15.7.2 whether any power which the Lender or the Receiver is purporting to exercise has become exercisable; or

15.7.3 how any money paid to the Lender or to the Receiver is to be applied.

16 RECEIVER

16.1 Removal and replacement

The Lender 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.

16.2 Multiple Receivers

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

16.3 Remuneration

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

16.4 Payment by Receiver

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

16.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor. The Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall incur no liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

17 POWERS OF RECEIVER

17.1 General powers

Any Receiver shall have:

17.1.1 all the powers which are conferred on the Lender by clause 15.3;

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

17.2 Additional powers

In addition to the powers referred to in clause 17.1, a Receiver shall have the following powers:

- 17.2.1 to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- 17.2.2 to manage the Security Assets and the business of the Chargor as he thinks fit;
- 17.2.3 to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- 17.2.4 to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation:
 - 17.2.4.1 fixtures may be severed and sold separately from the Property containing them, without the consent of the Chargor;
 - 17.2.4.2 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); and
 - 17.2.4.3 any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- 17.2.5 to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- 17.2.6 to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;
- 17.2.7 to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- 17.2.8 to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- 17.2.9 to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Lender shall direct);
- 17.2.10 to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- 17.2.11 to form one or more subsidiaries of the Chargor and to transfer to any such subsidiary all or any part of the Security Assets;

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

17.2.13 to:

- 17.2.13.1 give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
- 17.2.13.2 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
- 17.2.13.3 use the name of the Chargor for any of the above purposes.

18 APPLICATION OF PROCEEDS

18.1 Application

All monies received by the Lender or any Receiver under or in connection with this Deed or the Security Assets 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:

- 18.1.1 first, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by the Lender or any Receiver under or in connection with this Deed or the Security Assets and of all remuneration due to the Receiver in connection with this Deed or the Security Assets;
- 18.1.2 secondly, in or towards the satisfaction of the remaining Secured Obligations in accordance with clause 18.3; and
- 18.1.3 thirdly, in payment of any surplus to the Chargor or other person entitled to it.

18.2 Contingencies

If the Security is enforced at a time when no amounts are due to the Lender (but at a time when amounts may become so due), the Lender or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Lender may determine).

18.3 Appropriation and suspense account

- 18.3.1 Subject to clause 18.1, the Lender shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.
- 18.3.2 Any such appropriation shall override any appropriation by the Chargor.
- 18.3.3 All monies received, recovered or realised by the Lender under or in connection with this Deed may at the discretion of the Lender be credited to a separate interest-bearing suspense account for so long as the Lender determines (with interest accruing thereon at such rate (if any) as the Lender may determine) without the Lender having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations.

19 SET OFF

The Lender may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid or any contingent obligation from the Chargor against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

20 DELEGATION

Each of the Lender 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 the Lender nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

21 FURTHER ASSURANCES

21.1 Further action

The Chargor shall, at its own expense, promptly take whatever action the Lender or a Receiver may require for:

21.1.1 creating, perfecting or protecting the Security Interests intended to be created by this Deed; and

21.1.2 facilitating the realisation of the Security Assets or the exercise of any right, power or discretion exercisable by the Lender or any Receiver or any of its or their delegates or sub-delegates in respect of the Security Assets,

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

21.2 Security Documents

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

21.3 Specific security

Without prejudice to the generality of clause 21.1, the Chargor will immediately upon request by the Lender execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed (including any fixed security arising or intended to arise pursuant to clause 6).

22 POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which each Chargor is obliged to take under this Deed, including under clause 21. Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 22.

23 PAYMENTS

23.1 Payments

Subject to clause 23.2, all payments to be made by the Chargor in respect of this Deed shall be made in immediately available funds to the credit of such account as the Lender may designate and without (and free and clear of, and without any deduction for, or on account of) any set-off or counterclaim or (except to the extent compelled by law) any deduction or withholding for or on account of Tax.

23.2 Gross-up

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

24 CURRENCY CONVERSION

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured

Obligations in that other currency at the Lender's spot rate of exchange. The Chargor shall indemnify the Lender against all costs, charges and expenses incurred in relation to such conversion. Neither the Lender nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

25 STAMP DUTY LAND TAX AND OTHER TAXES

The Chargor shall 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 the Chargor shall furthermore indemnify the Lender 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.

26 COSTS AND EXPENSES

26.1 Transaction and amendment expenses

The Chargor shall promptly on demand pay to the Lender 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 the Lender in connection with:

26.1.1 the negotiation, preparation, printing, execution, registration, perfection and completion of this Deed, the Security or any document referred to in this Deed; or

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

26.2 Enforcement and preservation costs

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

27 INDEMNITY

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

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

27.2 the Property or the use or occupation of it by any person; or

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

28 TACKING

The Lender shall perform its obligations to make advances to the Chargor under any finance or credit agreement between the Lender and the Chargor (including any obligation to make available further advances). This Deed secures advances already made and further advances to be made and the Lender applies to the Chief Land Register to enter on the Register of Title relating to the Property registered at the Land Registry an obligation for the Lender to make further advances.

29 LAND REGISTRY

29.1 Articles of association

If the Chargor is a company, the Chargor certifies that the Security does not contravene any of the provisions of the articles of association of the Chargor.

29.2 Restriction on register

The Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Lender) for a restriction in the following terms to be entered on the Register of Title relating to any of the Property registered at the 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 _____ in favour of NCSCT Community Interest Company referred to in the charges register or their conveyancer,"

29.3 Exempt information

29.3.1 The Chargor:

29.3.1.1 authorises the Lender to make any application which the Lender deems appropriate for the designation of this Deed as an exempt information document under rule 136 of the Land Registration Rules 2003;

29.3.1.2 shall use its best endeavours to assist with any such application made by or on behalf of the Lender; and

29.3.1.3 shall notify the Lender 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 following its designation as an exempt information document.

29.3.2 The Chargor 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.

29.3.3 The Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Security.

29.3.4 The Chargor shall not, without the prior written consent of the Lender, permit any person to be or become registered under the Land Registration Act 2002 as the proprietor of the Property who is not so registered under the Land Registration Act 2002 at the date of this Deed.

30 NOTICES

30.1 Communications in writing

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

30.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

30.2.1 in the case of the Chargor, that identified with its name above; and

30.2.2 in the case of the Lender, that identified with its name above,

or any substitute address, fax number or department or officer as the Chargor or the Lender may notify to the other Party by not less than five Business Days' notice.

30.3 Delivery

30.3.1 Subject to clause 30.3.2, any communication or document made or delivered by one Party to another under, or in connection with, this Deed will only be effective:

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

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

and, if a particular department or officer is specified as part of its address details provided under clause 30.2, if addressed to that department or officer.

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

31 **AMENDMENTS AND WAIVERS**

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

32 **CALCULATIONS AND CERTIFICATES**

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

33 **WAIVER, RIGHTS AND REMEDIES**

No failure to exercise, nor any delay in exercising, on the part of the Lender, 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.

34 **PARTIAL INVALIDITY**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provisions under the law of any other jurisdiction will in any way be affected or impaired.

35 **DISCHARGE CONDITIONAL**

Any settlement or discharge between the Lender and the Chargor shall be conditional on no security of, or disposition or payment to, the Lender (whether by the Chargor or otherwise) being avoided or reduced or required to be paid away or refunded by virtue of any requirement or enactment (in each case whether or not having the force of law and whether relating to bankruptcy, insolvency, liquidation, administration or otherwise) at any time in force or by virtue of any obligation to give effect to any preference or priority and the Lender shall be entitled to recover the value or amount of any such security or payment from the Chargor and to enforce this Deed as if such settlement or discharge had not occurred.

36 **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.

37 **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.

38 **GOVERNING LAW**

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

39 ENFORCEMENT

- 39.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- 39.2 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.
- 39.3 This clause 39 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, Lender may take concurrent proceedings in any number of jurisdictions.

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

**SCHEDULE 1
THE PROPERTY**

All that freehold property known as Unit 3, Great Western Industrial Centre, Dorchester, Dorset, DT1 1RD as the same is more particularly described in and shown edged red on the plan annexed to a Conveyance dated the 11th day of January 1984 and made between Obligrange Limited (1) and Bernard Roy Beer (2)

All that freehold property known as Unit 2b, Great Western Industrial Centre, Dorchester, Dorset, DT1 1RD as the same is more particularly described in and shown edged red on the plan annexed to a Conveyance dated the 6th day of March 1984 and made between Great Western Developments Limited (1) and Bernard Roy Beer (2)

SCHEDULE 2
FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY TENANT

To: [Insert name and address of relevant party]

Dated: [•] 20[•]

Dear Sirs

RE: [DESCRIBE LEASE] DATED [•] 20[•] BETWEEN (1) YOU AND (2) [•] (THE "CHARGOR") (THE "LEASE")

- 1 [We/I] give notice that, by a legal charge dated [•] 20[•] (the "Legal Charge"), [we/I] have granted a security interest in favour of (the "Lender") over all [our/my] present and future right, title and interest in and to the Lease including all rights and remedies in connection with the Lease and all monies from time to time due to us arising under the Lease.
- 2 [We/I] irrevocably authorise and instruct you from time to time:
 - 2.1 to disclose to the Lender at [our/my] expense (without any reference to or further authority from [us/me] and without any enquiry by you as to the justification for such disclosure), such information relating to the Lease as the Lender may from time to time request;
 - 2.2 to pay or release all or any part of the sums from time to time due and payable by you to [us/me] under the Lease in accordance with the written instructions given to you by the Lender from time to time;
 - 2.3 to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Legal Charge or the Lease which you receive at any time from the Lender without any reference to or further authority from [us/me] and without any enquiry by you as to the justification for or validity of such notice or instruction; and
 - 2.4 to send copies of all notices and other information given or received under the Lease to the Lender.
- 3 [We/I] [are/am] not permitted to agree any amendment or supplement to, or waive any obligation under, the Lease without the prior written consent of the Lender.
- 4 [We/I] will remain liable to you to perform the obligations of the landlord under the Lease. Neither the Lender nor any receiver, delegate or sub-delegate appointed by It shall at any time be under any obligation or liability to you under or in respect of the Lease.
- 5 This notice may only be revoked or amended with the prior written consent of the Lender.
- 6 Please confirm by completing the enclosed copy of this notice and returning it to the Lender (with a copy to us) that you agree to the above and that:
 - 6.1 you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - 6.2 you have not, at the date this notice is returned to the Lender, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Lease and you will notify the Lender promptly if you should do so in future; and
 - 6.3 you will not exercise any right to terminate the Lease or take any action to amend or supplement the Lease without the prior written consent of the Lender.
- 7 This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of

[NAME OF CHARGOR]

To: [NAME OF LENDER]

Copy to: [NAME OF CHARGOR]

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph [6] of the above notice.

for and on behalf of [●]

Dated: [●] 20[●]

SCHEDULE 3
FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To: [Insert name and address of insurer]

Dated: [●] 20[●]

Dear Sirs

Re: [Describe insurance policies] dated [●] 20[●] between (1) you and (2) [●] (the "Chargor")

- 1 [We/I] give notice that, by a legal charge dated [●] 20[●] (the "Legal Charge"), [we/I] have assigned to NCSCT Community Interest Company (the "Lender") all [our/my] present and future right, title and interest in and to the policies described above (together with any other agreement supplementing or amending the same, the "Policies") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies.
- 2 [We/I] irrevocably authorise and instruct you from time to time:
 - 2.1 to disclose to the Lender at [our/my] expense (without any reference to or further authority from [us/me] and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Lender may from time to time request;
 - 2.2 to hold all sums from time to time due and payable by you to [us/me] under the Policies to the order of the Lender;
 - 2.3 to pay or release all or any part of the sums from time to time due and payable by you to [us/me] under the Policies only in accordance with the written instructions given to you by the Lender from time to time;
 - 2.4 to comply with any written notice or instructions in any way relating to (or purporting to relate to) the Legal Charge, the sums payable to [us/me] from time to time under the Policies or the debts represented by them which you may receive from the Lender (without any reference to or further authority from [us/me] and without any enquiry by you as to the justification for or validity of such notice or instruction); and
 - 2.5 to send copies of all notices and other information given or received under the Policies to the Lender.
- 3 [We/I] irrevocably instruct you, with effect from the date of this notice, to note on the relevant Policies the Lender's interest co-insured and as first loss payee and as first priority assignee of the Policies and the rights, remedies, proceeds and claims referred to above.
- 4 [We/I] [are/am] not permitted to receive from you, otherwise than through the Lender, any amount in respect of or on account of the sums payable to [us/me] from time to time under the Policies or to agree any amendment or supplement to, or waive any obligation under, the Policies without the prior written consent of the Lender.
- 5 This notice may only be revoked or amended with the prior written consent of the Lender.
- 6 Please confirm by completing the enclosed copy of this notice and returning it to the Lender (with a copy to us) that you agree to the above and that:
 - 6.1 you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - 6.2 you have not, at the date this notice is returned to the Lender, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Lender promptly if you should do so in future;
 - 6.3 you will not permit any sums to be paid to [us/me] or any other person under or pursuant to the Policies without the prior written consent of the Lender; and
 - 6.4 you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without the prior written consent of the Lender.

7 This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of

[Name of Chargor]

To: NCSCT Community Interest Company, as Lender

Copy to: [NAME OF CHARGOR]

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph [6] in the above notice.


for and on behalf of [●]

Dated: [●] 20[●]

EXECUTION PAGE

THE CHARGOR

EXECUTED as a Deed by
acting as a director of
EXCHANGE SUPPLIES LIMITED
in the presence of:

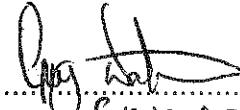

.....
Director

Witness Signature:

Name: (please print)

Address:

Occupation:


GUY WATSON
Kerryllip, Challacombe Lane
Beechwood, Sandbury DT1 3SS
Legal Executive

THE LENDER

EXECUTED as a Deed by
acting by a director of
NCSCT COMMUNITY INTEREST
in the presence of:

.....
Director

Witness Signature:

Name: (please print)

Address:

Occupation: