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In accordance with
Sections 859A and
859J of the Companies
Act 2006

MR01

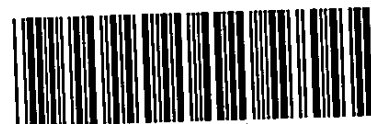
Particulars of a charge



Companies House

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

You can use the WebF,
Please go to www.comp.



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11/10/2013

#195

COMPANIES HOUSE

☒ **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**
You may not use this form
to register a charge where the
instrument Use form MR01

FRIDAY

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



You must enclose a certified copy of the instrument with this form. This will be
scanned and placed on the public record

1 Company details

Company number 0 4 6 4 7 7 6 5

Company name in full DRIVEMORE LIMITED

0003

For official use

→ Filling 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 0 7 1 0 2 0 1 3

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 BANK OF CHINA (UK) LIMITED

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

MR01

Particulars of a charge

4	Description	
	Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security	Continuation page Please use a continuation page if you need to enter more details
Description	<p>Definitions</p> <p>"Chargor" means the company detailed at section 1 of this form MR01,</p> <p>"Fixtures" means fixtures, fittings (including trade fixtures and fittings) and fixed plant, machinery and equipment,</p> <p>"Intellectual Property Rights" means patents, rights to inventions, copyright and related rights, trade marks, trade names and domain names, rights in get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (and rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future, in any part of the world,</p>	
5	Fixed charge or fixed security	
	<p>Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
6	Floating charge	
	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes Continue</p> <p><input type="checkbox"/> No Go to Section 7</p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input checked="" type="checkbox"/> Yes</p>	
7	Negative Pledge	
	<p>Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	

MR01 - continuation page

Particulars of a charge

4	Description	
Description	<p>Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security</p> <p>"Legally Mortgaged Property" means the properties (if any) described in Schedule 1 of the charge detailed at section 2 of this form MR01 and any estate or interest therein, and any reference to "Legally Mortgaged Property" is a reference to the whole or any part or parts of the same and includes a reference to all Rights from time to time attached or appurtenant thereto and all buildings and Fixtures from time to time therein or thereon,</p> <p>"Real Property" means freehold or leasehold property (whether registered or unregistered) in England and Wales and any other land or buildings anywhere in the world, and any estate or interest therein, and any reference to "Real Property" includes a reference to all Rights from time to time attached or appurtenant thereto and all buildings and Fixtures from time to time therein or thereon, and</p> <p>"Rights" means rights, benefits, liens, powers, privileges, authorities, discretions, remedies, liberties, easements, quasi-easements and appurtenances (in each case, of any nature whatsoever)</p> <p>The following is subject to this fixed charge</p> <p>1 all Real Property now or at any time during the continuance of the security belonging to the Chargor (other than the Legally Mortgaged Property), and</p> <p>2 all the present and future Intellectual Property Rights of the Chargor</p>	

MR01

Particulars of a charge

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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  X
FOR ROSLING KING LLP
ACTING FOR AND ON BEHALF OF BANK OF CHINA(OK) LTD

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

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **AXP/JGW/4703-14-5**

Company name **Rosling King LLP**

Address **10 Old Bailey**

Post town **London**

County/Region

Postcode **E C 4 M 7 N G**

Country

DX **154 London**

Telephone **020 7246 8000**



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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4647765

Charge code: 0464 7765 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th October 2013 and created by DRIVEMORE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th October 2013

Given at Companies House, Cardiff on 15th October 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 7 October 2013

DRIVEMORE LIMITED

and

BANK OF CHINA (UK) LIMITED

DEBENTURE
creating fixed and floating charges

Rosling**King**
LLP

We certify that, save for material redacted pursuant to s 859G of the Companies Act 2006, this copy instrument is a true and accurate copy of the original instrument.

Signed: *Rosling King LLP*
Rosling King LLP

Date: 8/10/13

THIS DEED is dated

7 October

2013

BETWEEN:

- (1) **DRIVEMORE LIMITED**, a private limited company incorporated and registered in England and Wales with company number 04647765 and whose registered office is at 8 Wing Yip Business Centre, 395 Edgware Road, London NW2 6LN (the "**Chargor**"), and
- (2) **BANK OF CHINA (UK) LIMITED** of 1 Lothbury, London, EC2R 7DB (the "**Bank**", which expression shall include its successors and assigns)

NOW THIS DEED WITNESSES as follows

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed, unless the context otherwise requires, the following expressions shall have the following meanings

"Administration" means administration under Part II of the Insolvency Act,

"Assets" means business, undertaking, property, rents, assets, revenues, Rights and uncalled capital, present and future, and any interest therein,

"Associated Company" means any company which is from time to time a member of the same group of companies as the Bank and directly or indirectly controls, is controlled by, or is under common control with the Bank,

"Bank Balances" means all monies (including interest) now or hereafter standing to the credit of any account now or hereafter held by the Borrower with any bank, including the Bank, and the debts represented by such monies,

"Book Debts" means all book and other debts of any nature whatsoever now or hereafter due or owing to the Borrower (including, but without limitation, the benefit of all amounts due or owing from any government or governmental agency, whether by way of repayment or refund in respect of any Tax or otherwise, but excluding all monies now or hereafter standing to the credit of any account now or hereafter held by the Borrower with any bank), and the benefit of (including the proceeds of all claims under) all Rights, Securities, guarantees, indemnities, letters of credit and insurances of any nature whatsoever now or hereafter enjoyed or held by the Borrower in relation thereto,

"Borrower" means East & West Commercial Limited, a company incorporated and registered in England and Wales with company number 07760466 and whose registered office is at 8 Wing Yip Business Centre, 395 Edgware Road, London NW2 6LN,

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

"Certificate of Title" means any report on or certificate of title relating to any of Chargor's Real Property supplied to the Bank by the Chargor (or on its behalf),

"Charged Assets" means Assets from time to time subject, or expressed to be subject, to the Charges, and, where the context so admits, each of them and any part thereof and the proceeds of the disposal of the same and all rights, title and interest in and to the same,

"Charged Investments" means Investments from time to time subject, or expressed to be subject, to the Charges, and, where the context so admits, each of them and any part

thereof and the proceeds of the disposal of the same and all rights, title and interest in and to the same,

"Charges" means all or any of the Security created, or which may at any time be created, by or pursuant to this Deed,

"Debentures" include debenture stock, loan stock, bonds, notes and certificates of deposit,

"Default Rate" is the interest rate per annum (calculated after as well as before judgement) equal to the sum of (1) 2% (two per cent), and (2) the interest rate from time to time designated by the Bank as being its base rate,

"Delegate" means a delegate or sub-delegate appointed pursuant to Clause 16.5 of this Deed,

"Dissolution" of a person includes the bankruptcy, insolvency, liquidation, amalgamation, reconstruction, reorganisation, Administration, administrative or other receivership, or dissolution of that person, and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction, and any step taken (including, but without limitation, the presentation of a petition or the passing of a resolution) for or with a view to any of the foregoing,

"Event of Default" means any of the events or circumstances described in Clause 13.1 of this Deed,

"Environment" means the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media,

"Environmental Law" means all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes insofar as they relate to or apply to the Environment,

"Environmental Licence" means any authorisation, permit or licence necessary under Environmental Law in respect of any of the Charged Assets,

"Facility Letter" means the facility letter dated 1 June 2012 between the Bank and the Borrower (including subsequent variations thereof) provided always that any variations dated subsequently to the date of this Deed shall be deemed to be included in the expression the "Facility Letter",

"Fixtures" means fixtures, fittings (including trade fixtures and fittings) and fixed plant, machinery and equipment,

"Guarantor" means any person or persons who have guaranteed from time to time any of the Secured Sums,

"Insolvency Act" means the Insolvency Act 1986,

"Intellectual Property Rights" means patents, rights to inventions, copyright and related rights, trade marks, trade names and domain names, rights in get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (and rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist, now or in the future, in any part of the world,

"Investments" means

- (i) shares, stock and Debentures, and
- (ii) warrants, options or other Rights to subscribe, purchase, call for delivery of or otherwise acquire shares, stock or Debentures, and
- (iii) units in a Unit Trust Scheme,

"Legally Mortgaged Property" means the properties (if any) described in Schedule 1 to this Deed and any estate or interest therein, and any reference to "Legally Mortgaged Property" is a reference to the whole or any part or parts of the same and includes a reference to all Rights from time to time attached or appurtenant thereto and all buildings and Fixtures from time to time therein or thereon,

"Letting Document" means any lease, tenancy or licence to occupy or any agreement for the same granted or entered into by the Borrower or any predecessor in title in respect of any of its Real Property (including the Legally Mortgaged Property), and any licence, consent or approval given thereunder,

"LPA" means the Law of Property Act 1925,

"Managing Agents" means the managing agents managing any Real Property (including Legally Mortgaged Property) on behalf of the Borrower from time to time or such other managing agents as the Bank may at any time in its absolute discretion pursuant to the powers granted to the Bank hereunder require the Borrower to appoint in respect of any of the Real Property (including Legally Mortgaged Property) on such terms as the Bank may require,

"Negotiable Instruments" means all bills of exchange, promissory notes and other negotiable instruments of any description beneficially owned now or hereafter by the Borrower (but excluding any Debentures),

"Other Currency" has the meaning given in Clause 27 1,

"Personal Financial Statement" means at any particular time, in the event that any Guarantor is an individual, an accurate and complete statement, in a form satisfactory to the Bank signed and dated by such Guarantor and up to date at the date of signing, relating to the financial affairs of such Guarantor and showing that Guarantor's assets and liabilities and providing an accurate and complete statement of such Guarantor's net worth and which is prepared on a basis consistent with any previous Personal Financial Statement of such Guarantor,

"Planning Acts" means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning (Hazardous Substances) Act 1990 and the Local Government Planning and Land Act 1980, and any subsequent legislation of a similar nature,

"Proceedings" means any proceeding, suit or action arising out of or in connection with this Deed,

"Real Property" means freehold or leasehold property (whether registered or unregistered) in England and Wales and any other land or buildings anywhere in the world, and any estate or interest therein, and any reference to "Real Property" includes a reference to all Rights from time to time attached or appurtenant thereto and all buildings and Fixtures from time to time therein or thereon,

"Receiver" means an administrative receiver, receiver and manager, or other receiver appointed in respect of the Charged Assets (whether appointed pursuant to this Deed, pursuant to any statute, by a court or otherwise),

"Relevant Transaction" has the meaning given in Clause 23 2,

"Rental Account" has the meaning given in Clause 25 2,

"Required Currency" has the meaning given in Clause 27 1,

"Retention Period" has the meaning given in Clause 23 3,

"Rents" means all rent or other sums of money now or at any future time received or receivable by the Borrower from any tenant under a Letting Document and any other similar income in respect of any Real Property (including the Legally Mortgaged Property) whatsoever including the proceeds of any insurance for loss of rents but excluding any service charges, monies recovered from tenants in respect of remedial or refurbishment work undertaken and/or paid for by the Borrower, insurance contributions and any Value Added Tax received or receivable by the Borrower,

"Rights" means rights, benefits, liens, powers, privileges, authorities, discretions, remedies, liberties, easements, quasi-easements and appurtenances (in each case, of any nature whatsoever),

"Secured Sums" means all monies and liabilities (whether actual or contingent) which are now or may at any time hereafter be due, owing or payable, or expressed to be due, owing or payable, to the Bank or any Associated Company by either the Borrower or the Chargor (whether alone or with any other person, whether as principal or surety, whether upon any banking account or otherwise), including, but without limitation, all monies and liabilities due or becoming due under the Facility Letter or this Deed or any other loan facility letters entered into between the Borrower and the Bank, together with all interest, costs, commissions, fees and other charges and expenses which the Bank may charge against the Borrower or the Chargor and all legal and other costs, charges and expenses which the Bank may incur in enforcing or obtaining, or attempting to enforce or obtain, payment of any such monies, liabilities, charges and expenses as are referred to in this definition,

"Security" includes any mortgage, fixed or floating charge, encumbrance, lien, pledge, hypothecation, assignment by way of security, or title retention arrangement (other than in respect of goods purchased in the ordinary course of trading), and any agreement or arrangement having substantially the same economic or financial effect as any of the foregoing (including any "hold back" or "flawed asset" arrangement),

"Security Document" shall have the meaning given to it in the Facility Letter,

"Security Period" means the period starting on the date of this Deed and ending on the date on which the Bank is satisfied that all the Secured Sums have been unconditionally and irrevocably paid and discharged in full and no further Secured Sums are capable of being outstanding,

"Special Account" has the meaning given to it in Clause 10 1 2 of this Deed,

"Tax" includes any present or future tax (including Value Added Tax), levy, impost, duty, charge, fee, deduction or withholding of any nature and any interest or penalties in respect thereof,

"Unit Trust Scheme" has the meaning given to that expression by section 75(8) of the Financial Services Act 1986,

"Valuation" means any valuation relating to any of Chargor's Real Property supplied to the Bank by the Chargor (or on its behalf),

"Value Added Tax" means value added tax charged in accordance with the provisions of the Value Added Tax Act 1994 and any other similar tax on value or turnover which is enacted in addition to or in substitution for it, and

"Working Hours" means 9 30 a m to 5 30 p m on a Business Day

1 2 References and Construction

In this Deed, unless otherwise stated

- 1 2 1 references to Clauses and Schedules are to clauses of and schedules to this Deed,
- 1 2 2 headings to Clauses are for convenience only and are to be ignored in construing this Deed,
- 1 2 3 references to a **"person"** are to be construed so as to include any individual, firm, company, government, state or agency of a state, local or municipal authority, or any joint venture, association or partnership (whether or not having separate legal personality),
- 1 2 4 references to a **"company"** are to be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established,
- 1 2 5 a reference to a **"holding company"** or a **"subsidiary"** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee) by way of security or in connection with the taking of security, or (b) its nominee. In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Companies Act 2006 shall be amended so that (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership, and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights,
- 1 2 6 references to any statute or statutory provision are to be construed as references to the same as it may have been, or may from time to time be, amended, modified or re-enacted, and include references to all bye-laws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom,
- 1 2 7 references to times of the day are to London time,
- 1 2 8 the singular shall include the plural and vice versa, and
- 1 2 9 except to the extent that the context otherwise requires, any reference in this Deed to **"this Deed"** or any other deed, agreement or instrument is a reference to this Deed or, as the case may be, the relevant deed, agreement or instrument as amended, supplemented, replaced or novated from time to time and includes a reference to any document amending, supplementing, replacing, novating or entered into, made or given pursuant to or in accordance with any of the terms of this Deed or, as the case may be, the relevant deed, agreement or instrument

1 3 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Letter and of any facility letters between any parties in relation to the Facility Letter are incorporated into this Deed

1 4 Perpetuity period

If the rule against perpetuities applies to any trust created by this Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009)

2. COVENANT TO PAY

- 2 1 The Chargor covenants with the Bank to pay and discharge all Secured Sums immediately on demand at the time or times when, and in the currency in which, the same are expressed to be payable or, in the absence of an agreed or specified date for payment, immediately on demand by the Bank

3 SECURITY

3 1 Charging provision

The Chargor, with full title guarantee and as continuing security for the payment and discharge of all Secured Sums, charges in favour of the Bank

3 1 1 by way of first legal mortgage, the Legally Mortgaged Property,

3 1 2 by way of first fixed charge

- (a) all Real Property now or at any time during the continuance of this security belonging to the Chargor (other than the Legally Mortgaged Property),
- (b) all plant, machinery and equipment now or hereafter beneficially owned by the Chargor (and not effectively charged by Clause 3 1 1), and its interest in any plant, machinery or equipment now or hereafter in its possession,
- (c) all Investments now or hereafter beneficially owned by the Chargor, and all dividends, interest and other distributions paid or payable in respect thereof,
- (d) (to the extent not assigned by way of security under Clause 3 2) all its Rights under or in connection with any contracts, policies of insurance, warranties or indemnities taken out now or hereafter by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest, and all claims of whatever nature relating thereto, together with all monies payable to the Chargor thereunder and returns of premium in respect thereof,
- (e) all the present and future goodwill of the Chargor and its uncalled capital now or at any time hereafter in existence,
- (f) all the present and future Intellectual Property Rights of the Chargor,
- (g) all Book Debts,
- (h) all Bank Balances,
- (i) all Negotiable Instruments, and
- (j) all its Rights under or in connection with all present and future licences held in connection with the business of the Chargor or the use of any Charged Asset (but excluding any such licence which requires the consent of the licensor for the creation of this Charge and in respect of which such consent has not been obtained), and the right

to recover and receive all compensation which might be payable to it in respect of such licences, and

- 3 1 3 by way of first floating charge, all its Assets, including Assets expressed to be charged by Clauses 3 1 1 and 3 1 2 Paragraph 14 of Schedule B1 to the Insolvency Act (incorporated by Schedule 16 of the Enterprise Act 2002) shall apply to any floating charge created pursuant to this Deed

3 2 Assignments by way of Security

The Chargor, with full title guarantee and as continuing security for the payment and discharge of all Secured Sums, hereby assigns and agrees to assign by way of security to the Bank all its Rights under or in connection with any contracts, policies of insurance, warranties or indemnities taken out now or hereafter by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest, and all claims of whatever nature relating thereto, together with all monies payable to the Chargor thereunder and returns of premium in respect thereof

3 3 Ranking

The floating Charge created by Clause 3 1 3 shall rank behind all the fixed Charges created by or pursuant to this Deed but shall rank in priority to any other Security hereafter created by the Chargor except for Security permitted by Clause 4 1 and except for Security ranking in priority in accordance with Clause 15 1 5

3 4 Conversion of floating Charge

- 3 4 1 The Bank may at any time by notice to the Chargor convert the floating Charge created by Clause 3 1 3 into a fixed Charge as regards such Charged Assets as shall be specified (whether generally or specifically) in that notice if the Bank considers such Charged Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy
- 3 4 2 If, without the prior written consent of the Bank, the Chargor creates or permits to subsist any Security (other than that permitted by Clause 4 1 or Clause 15 1 5) on, over or with respect to any of the Charged Assets, or attempts to do so, or if any person levies or attempts to levy any distress, attachment, execution or other legal process against any of the Charged Assets, the floating Charge created by this Deed over the Charged Assets the subject of such Security or process shall be deemed to have been automatically converted into a fixed Charge the instant before such event occurs

3 5 Acquisition of Real Property

The Chargor shall

- 3 5 1 promptly notify the Bank of any existing or future contract for it to acquire any Real Property,
- 3 5 2 notify the Bank as soon as it becomes entitled to acquire legal title to any Real Property and take such steps as the Bank may require to vest such title in the Chargor or, if the Charges have become enforceable, in the Bank or as it may direct,
- 3 5 3 if title to such Real Property is (either before or after its acquisition) registered or required to be registered under the Land Registration Act 2002, notify the Bank of its title number as soon as it is available and, when applying to the Land Registry for registration as the registered proprietor, request the Chief Land Registrar to

enter a notice of this Deed and the restriction referred to in Clause 8 on the charges register of the relevant title, and

3 5 4 execute and deliver, or procure that there is executed and delivered, to the Bank, in respect of any Real Property which becomes vested in the Chargor or any nominee of the Chargor after the execution of this Deed

(a) a first legal mortgage supplemental to and on the terms and conditions of this Deed and in such form as the Bank may require, or

(b) if such Real Property is situate in a jurisdiction outside England and Wales, such other instrument on such other terms and conditions as may, in the opinion of the Bank, be appropriate to create a similar security in that jurisdiction in favour of the Bank, in either case, to secure the payment or discharge of the Secured Sums

3 6 Documents of title

3 6 1 The Chargor shall, immediately upon the execution of this Deed or, if later, upon receipt by it or for its account, deposit with the Bank by way of security for the Secured Sums all title deeds and documents relating to all Real Property now vested in the Chargor or acquired by it after the date of this Deed. The Bank shall be entitled to continue to hold such title deeds and documents delivered to it pursuant to this Deed until the Charges are released, and if for any reason it ceases to hold such title deeds and documents before such time, it may by notice to the Chargor require that the relevant title deeds and documents be redeposited with it by way of security for the Secured Sums and the Chargor shall immediately comply with that requirement or procure that it is complied with

4 RESTRICTIONS ON DEALING

4 1 Security

The Chargor shall not, without the prior written consent of the Bank, create or permit to subsist any Security on, over or with respect to any of its Assets except for

4 1 1 the Charges, or

4 1 2 liens arising solely by operation of law in the ordinary course of the Chargor's business

4 2 Disposal

The Chargor shall not, without the prior written consent of the Bank, sell, transfer, assign, lease or hire out, factor, discount, licence, lend, part with its interest in or otherwise dispose of any of its Assets or permit the same to occur, or agree to do any of the foregoing PROVIDED THAT, until

4 2 1 the floating Charge created by Clause 3 1 3 is converted into a fixed Charge, or

4 2 2 the Charges become enforceable and the Bank takes any step to enforce the Charges or gives notice to the Chargor that this exception is no longer to apply,

the Chargor may hold, enjoy and deal in the ordinary course of its business with those of its Assets which are at the relevant time not expressed to be subject to a fixed Charge

5 REPRESENTATIONS AND WARRANTIES

5 1 Times for making representations and warranties

The Chargor makes the representations and warranties set out in this Clause 5 to the Bank on the date of this Deed and on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition

5.2 Due incorporation

The Chargor

- (a) is a duly incorporated limited liability company validly existing under the law of its jurisdiction of incorporation, and
- (b) has the power to own its assets and carry on its business as it is being conducted

5.3 Powers

The Chargor has the power and authority to execute, deliver and perform its obligations under this Deed and the transactions contemplated by it. No limit on its powers will be exceeded as a result of the entry into of this Deed

5.4 Non-contravention

The execution, delivery and performance of the obligations in, and transactions contemplated by, this Deed do not and will not contravene or conflict with

- (a) the Chargor's constitutional documents,
- (b) any agreement or instrument binding on the Chargor or its assets, or
- (c) any law or regulation or judicial or official order applicable to it

5.5 Authorisations

The Chargor has taken all necessary action and obtained all required or desirable consents to enable it to execute, deliver and perform its obligations under this Deed. Any such authorisations are in full force and effect

5.6 Binding obligations

- (a) The Chargor's obligations under this Deed are legal, valid, binding and enforceable, and
- (b) this Deed creates
 - (i) valid, legally binding and enforceable Security for the obligations expressed to be secured by it, and
 - (ii) subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of real property, registration at the Land Registry, perfected Security over the assets referred to in this Deed,in favour of the Bank, having the priority and ranking expressed to be created by this Deed and ranking ahead of all (if any) Security and rights of third parties, except those preferred by law

5.7 Litigation

No litigation, arbitration or administrative proceedings are taking place, pending or, to the Chargor's knowledge, threatened against it or any of the Charged Assets

5.8 Registration

Subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of real property, registration at the Land Registry and payment of registration fees to Companies House and the Land Registry, it is not necessary to file, record or enroll this Deed with any court or other authority or pay any stamp, registration or similar tax in relation to this Deed

5 9 Ownership of Charged Assets

The Chargor is the legal and beneficial owner of the Charged Assets and has good and marketable title to its Real Property

5 10 No Security

The Charged Assets are free from any Security other than the Security created by this Deed

5 11 No adverse claims

The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Charged Assets or any interest in them

5 12 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, that materially and adversely affect the Charged Assets

5 13 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Charged Assets

5 14 No interference in enjoyment

No facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use

5 15 No overriding interests

Nothing has arisen, has been created or is subsisting that would be an overriding interest in any of the Chargor's Real Property

5 16 No prohibitions or breaches

There is no prohibition on the Chargor assigning its rights in any of the Charged Assets and the entry into of this Deed by the Chargor does not and will not constitute a breach of any policy, agreement, document, instrument or obligation binding on the Chargor or its Assets

5 17 Environmental compliance

The Chargor has, at all times, complied in all respects with all applicable Environmental Law and Environmental Licences

5 18 Information for Valuations and Certificates of Title

- (a) All written information supplied by the Chargor or on its behalf for the purpose of any Valuation and Certificate of Title was true and accurate in all material respects at its date or at the date (if any) on which it was stated to be given.

- (b) The information referred to in Clause 5 18(a) was, at its date or at the date (if any) on which it was stated to be given, complete and the Chargor did not omit to supply any information that, if disclosed, would adversely affect the Valuation or Certificate of Title
- (c) In the case of the first Valuation and Certificate of Title only, nothing has occurred since the date the information referred to in Clause 5 18(a) was supplied and the date of this Deed which would adversely affect such Valuation or Certificate of Title.

5 19 Avoidance of security

No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Chargor or otherwise

6 GENERAL COVENANTS

The Chargor covenants with the Bank that the Chargor shall

- 6 1 keep or cause to be kept all the Charged Assets in good and substantial repair and good working order and shall ensure that any authorised representative of the Bank is able at all reasonable times to view the state of repair of the Charged Assets,
- 6 2 punctually pay, as the same become due, all rent, rates, Taxes, assessments, impositions and outgoings payable in respect of the Charged Assets, and produce to the Bank on demand the related receipts,
- 6 3 punctually pay, as the same become due, all debts and liabilities which by law would have priority over all or any part of the Secured Sums,
- 6 4 not fix or permit the affixing of any of the Charged Assets to any Real Property (including Legally Mortgaged Property) which is not itself a Charged Asset,
- 6 5 not do, or suffer to be done, anything which could prejudice the Charges or the position of the Bank under this Deed,
- 6 6 if it has not already done so, in the case of any plant, machinery and equipment subject to a fixed Charge located on leasehold premises, obtain written confirmation from the lessor of any such premises that it waives absolutely all Rights it may have now or at any time in the future over any of such plant, machinery and equipment,
- 6 7 if so requested by the Bank in such circumstances when the Bank has reason to believe an Event of Default may occur or has occurred, place and maintain on each item of plant, machinery and equipment subject to a fixed Charge, in a conspicuous place, an identification plaque containing the following wording

"NOTICE OF CHARGE

This machine and additions and ancillary equipment are subject to a first fixed charge in favour of BANK OF CHINA (UK) LIMITED"

and not conceal, alter or remove such plaque or permit it to be concealed, altered or removed,

- 6 8 within the period in which the accounts of the Chargor must be filed with the appropriate authorities in accordance with applicable laws or, if there is no such requirement, within 270 days after the end of each of its financial years, provide the Bank with a copy of its Annual Report and the annual audited Profit and Loss Account and Balance Sheet of the Chargor or the audited consolidated Profit and Loss Account and Balance Sheet of the Chargor and any subsidiaries prepared in each case on a basis consistent with prior years except as required by law,

- 6 9 procure for and provide to the Bank, within the period in which the accounts of any Guarantor which is an incorporated body must be filed with the appropriate authorities in accordance with applicable laws or, if there is no such requirement, within 270 days after the end of each of such Guarantor's financial years, a copy of such Guarantor's Annual Report and the annual audited Profit and Loss Account and Balance Sheet of any such Guarantor prepared in each case on a basis consistent with prior years except as required by law,
- 6 10 procure for and provide to the Bank, in the event that any Guarantor is an individual, a Personal Financial Statement in relation to that Guarantor, upon written request by the Bank, and in any event no more than once in any calendar year,
- 6 11 procure for and provide to the Bank promptly such other financial information relating to the Chargor and its subsidiaries or any Guarantor or any of them as the Bank may from time to time reasonably require, and
- 6 12 give the Bank notice in writing forthwith upon becoming aware of the occurrence of any Event of Default or other event which, with the giving of notice and/or lapse of time and/or upon the Bank making a relevant determination, would constitute an Event of Default

7 REAL PROPERTY

The Chargor shall (with the intent that this Clause 7 shall also apply in relation to the Legally Mortgaged Property and any Real Property which may be vested in the Chargor or acquired by it after the date of this Deed)

7 1 Repair and alterations

- 7 1 1 keep or cause to be kept all buildings and Fixtures from time to time on or in any of its Real Property and all other plant, machinery and equipment belonging to it in good and substantial repair and good working order,
- 7 1 2 not, without the prior written consent of the Bank, nor otherwise than in accordance with plans, elevations and specifications previously submitted to and specifically approved by the Bank in writing (upon which approval such permitted works shall be commenced without delay and be completed with all due diligence to the satisfaction of the Bank), make or permit the making of any alteration or addition to any of its Real Property (other than internal non-structural alterations) or commit or permit any person to commit any waste upon or injure or in any manner or by any means lessen the value of its Real Property or sever or permit to be severed from any of its Real Property any Fixtures except for the purpose of replacing them as soon as practicable with others of equal or greater value,
- 7 1 3 not, without the prior written consent of the Bank, change the use or uses to which any of its Real Property is now put nor apply for any consent or authorisation which is required in connection with such change of use without the Bank's prior written consent, and
- 7 1 4 permit any authorised representative of the Bank at any time to enter any of its Real Property for any purpose without becoming liable to account as a mortgagee in possession and to inspect and test any work being carried out and, in case any breach of covenant, defect, disrepair or unauthorised alteration, improvement or addition shall be found, remedy all such breaches and execute all such repairs or removals as the Bank may reasonably require within 28 days after notice thereof (or immediately in case of emergency),

7 2 Insurance

- 7 2 1 in relation to its Real Property, effect and maintain insurance against

- (a) loss or damage by fire, lightning, explosion, storm, tempest, flood, bursting or overflowing of water tanks or pipes, aircraft (other than hostile aircraft), earthquake, impact, terrorism, landslip, subsidence, riot and civil commotion, malicious damage and such other risks as the Bank may from time to time require in the full reinstatement cost (including architects' and surveyors' fees, demolition and debris removal costs and the costs of shoring up, and making due allowance for increases in cost over the period until reinstatement is completed),
- (b) third party risks and property owner's liability in such amount as the Bank shall previously approve, and
- (c) loss for a period of three years (or such longer period as the Bank shall from time to time advise or require) of the rents, licence fees and service charge contributions (if any) payable by tenants or other occupants and any Value Added Tax thereon arising from damage to or destruction of such Real Property by any risk required to be insured,

with insurers previously approved in writing by the Bank and cause every policy of such insurance to be endorsed with a memorandum of the interest of the Bank as mortgagee and as chargee of the interest of the Chargor in such policy,

7 2 2 procure that any policy of insurance to be effected hereunder

- (a) be effected without any condition, restriction or exception (other than any which are not onerous or unusual under a comprehensive insurance policy issued by a tariff company on property of the same nature as the relevant Real Property) or excess or subject only to such conditions, restrictions or exceptions or excesses as the Bank may in writing approve,
- (b) contain a clause to the effect that the policy may not be terminated, cancelled or materially altered unless at least 30 days prior notice of the intended termination, cancellation or alteration has been given to the Bank,
- (c) be effected in the sole name of the Chargor or (if the Bank agrees in writing) jointly in the name of the Chargor and the name of some other person interested in the relevant Real Property, and
- (d) contain a "breach of warranty" clause whereby the insurer agrees that the insurance effected shall not be invalidated or prejudiced so far as the Bank is concerned by any breach of the insuring conditions or other act or omission on the part of the Chargor or any person deriving title under or otherwise having an interest in or in respect of the relevant Real Property or any part thereof inferior to that of the Chargor or any servant, agent, licensee or invitee of the Chargor or any such person,

7 2 3 not do or omit to do, or permit or suffer to be done or omitted to be done, anything which might render any insurance required by this Clause 7 2 void, voidable or unenforceable and produce to the Bank when so requested every policy of insurance and the receipt for the last premium payable thereunder,

7 2 4 deposit with the Bank an appropriate acknowledgement from the approved insurers evidencing compliance with the requirement in Clause 7 2 1 that every policy of insurance thereunder be endorsed with a memorandum of the interest of the Bank within 14 days of the date of this Deed and on demand, and deposit with the Bank on demand all insurance policies effected pursuant to this Clause 7 2 and the related premium receipts,

- 7 2 5 in the event of any claim being made under an insurance forthwith to notify the Bank of the same with full details thereof and to conduct any negotiations with the relevant insurers in accordance with the requirements of the Bank (including, without limitation, if required in writing by the Bank so to do to accept any offer in relation thereto made by the relevant insurers), and
- 7 2 6 pay or cause any monies received from any insurances (whether or not effected pursuant to this Clause 7 2) to be paid to the Bank (or if received by the Chargor, hold them on trust for the Bank) to be applied at the option of the Bank either towards making good the loss or damage in respect of which the monies were received or towards the discharge of the Secured Sums which shall for such purpose be deemed to be due and payable,

PROVIDED THAT

- (1) to the extent that another party to any lease or agreement for lease to which the Chargor is a party has covenanted with it to insure any of the Real Property which is the subject of such lease or agreement for lease against all or any other risks mentioned in this Clause 7 2 and to apply the insurance monies in or towards making good the loss or damage in respect of which such monies are received, and a memorandum of the interests of the Chargor and of the Bank as mortgagee and as chargee of the interest of the Chargor in such insurance monies has been endorsed on the policy relating thereto, and the Chargor produces to the Bank when so requested the policy of such insurance or a certified copy thereof and from time to time evidence of the payment of the current premium payable in respect thereof, the Bank shall accept such policy as satisfying pro tanto the obligations of the Chargor as to insurance contained in this Clause 7 2, and
- (2) to the extent that any of the risks mentioned in this Clause 7 2 are not included in any policy of insurance acceptable to the Bank as provided in proviso (1) above, the Chargor shall insure and keep insured the relevant Real Property against the remaining risks as required under this Clause 7 2 or the Chargor shall insure and keep insured such Real Property against the risk of the other party to such lease or agreement for lease failing to reinstate such Real Property as a result of the occurrence of a risk not included in such other party's policy of insurance and any such policy of insurance shall be subject to the provisions in this Clause 7 2 in all respects as a policy of insurance,

PROVIDED FURTHER THAT where the Bank notifies the Chargor that the provisions of Clause 7 2 2 and 7 2 4 shall not apply to any such policy of insurance the Chargor covenants to comply with such other requirements in relation to any such policy of insurance as the Bank may in its absolute discretion require from time to time (including for the avoidance of doubt being entitled to require the Chargor to revert to the provisions of Clause 7 2 2 and 7 2 4),

7 3 Statutes

- 7 3 1 comply with the provisions of all statutes and the requirements of any competent authority affecting any of its Real Property or the use of any of its Real Property or anything done thereon,
- 7 3 2 without prejudice to Clause 7 3 1
- (a) comply with the Planning Acts but not make any application for consent or permission thereunder or implement the same once obtained (in which case the Chargor must provide a copy of such

consent or permission to the Bank within 7 days of receipt) without the prior written consent of the Bank,

- (b) not enter into any agreement under section 106 of the Town and Country Planning Act 1990, section 33 of the Local Government (Miscellaneous Provisions) Act 1982, or section 38 of the Highway Act 1980, without the prior written consent of the Bank, and
- (c) pay and satisfy in accordance with its terms any charge that may be imposed under the Planning Acts, and

7 3 3 ensure that all consents and approvals under all statutes and the regulations and codes of practice of any competent authority affecting any of its Real Property have been obtained and are complied with, and produce on demand such evidence as the Bank may require to satisfy itself that such consents and approvals have been obtained and are complied with,

7 4 Leases

7 4 1 pay the rents and observe and perform all covenants, conditions, agreements or obligations on its part to be observed and performed contained in any lease under which any of its Real Property is held by the Chargor and any licence, consent or approval given thereunder, and use its best endeavours to enforce observance and performance of the lessor's covenants therein,

7 4 2 not accelerate or defer payment of any monies payable under any such lease and where the same contains a provision for the review of rent promptly notify the Bank of any attempt by the lessor to implement the same but not agree the reviewed rent or appoint or agree to the appointment of a third party to determine the same without the prior written consent of the Bank,

7 4 3 not apply for any licence, consent or approval under any such lease or any superior lease without the prior written consent of the Bank,

7 4 4 promptly give notice to the Bank if the Chargor receives notice under section 146 of the LPA or any proceedings are commenced for forfeiture of any such lease or any superior lease or the lessor or any superior lessor re-enters or attempts to re-enter thereunder and at the request of the Bank but at the cost of the Chargor take such steps as the Bank may require in relation thereto, and

7 4 5 forthwith give written notice of this Deed to the lessor under any leases under which any of the Chargor's Real Property is held whether or not such lease requires notice to be given,

7 5 Power of leasing

not, without the prior written consent of the Bank (not to be unreasonably withheld or delayed) exercise any of the powers of leasing or agreeing to lease vested in or conferred on mortgagors by common law or by statute or create or suffer to be created a tenancy of any description of any of its Real Property or confer or permit to be conferred upon any person any contractual licence, Right or interest to occupy or use or grant any licence or permission to assign, underlet or part with possession of the whole or any part of its Real Property or agree to do any of the foregoing, and sections 99 and 100 of the LPA shall not apply to this Deed,

7 6 Letting Documents

7 6 1 not, accept or agree to accept the surrender of any of the Letting Documents without the prior written consent of the Bank,

- 7 6 2 observe and perform all covenants, conditions, agreements or obligations on its part to be observed and performed and contained in any of the Letting Documents,
- 7 6 3 enforce, and not waive or release, the covenants, conditions, agreements and obligations contained in or imposed by any of the Letting Documents or any guarantee in respect of the obligations of the tenants, lessees or licensees thereunder, and give notice to the Bank forthwith in writing of any breach or non-observance by other parties thereto together with the Chargor's proposals for causing the same to be remedied and, subject to the Bank's written approval of such proposals, implement them at the Chargor's cost to the satisfaction of the Bank,
- 7 6 4 not accelerate or defer payment of any monies due under any of the Letting Documents and where any Letting Document contains a provision for the review of rent promptly implement the same but not agree the reviewed rent or appoint or agree to the appointment of a third party to determine the same without the prior written approval of the Bank,
- 7 6 5 not make an election without the prior written approval of the Bank under any Letting Document that its supplies should be or become taxable supplies for the purpose of Value Added Tax,
- 7 6 6 give immediate notice to the Bank if any tenant, lessee or licensee withholds rent or exercises any right of set-off against sums payable under any of the Letting Documents or purports, attempts or threatens to do so,
- 7 6 7 not give any licence, consent or approval under any of the Letting Documents without the prior written consent of the Bank,
- 7 6 8 at the request of the Bank in such circumstances when the Bank has reason to believe that an Event of Default may have occurred or has occurred (but not so as to constitute the Bank a mortgagee in possession) appoint the Bank the Chargor's agent for the collection of rents and other sums due under any Letting Document and issue irrevocable instructions to the other parties thereto to pay such rents and sums to the Bank or into such accounts as the Bank may request, and
- 7 6 9 deliver to the Bank within 7 days of demand full particulars of all agreements, leases, tenancies or licences to occupy affecting any of its Real Property however remote or inferior,

7 7 **Compulsory acquisition**

not without the prior written consent of the Bank enter into any negotiations with any competent authority with regard to the compulsory acquisition of any of its Real Property nor consent to the compulsory acquisition of any of its Real Property and, if so requested by the Bank, permit the Bank or its authorised representatives to conduct such negotiations or to give such consent on the Chargor's behalf,

7 8 **Outgoings**

pay as and when the same become due all rates, Taxes, duties, charges, assessments and other outgoing payable in respect of its Real Property and shall provide the Bank with documentary evidence satisfactory to the Bank that such payments have been made,

7 9 **Encumbrances**

comply with

- 7 9 1 all obligations, covenants, exceptions, reservations, licences, approvals, consents, stipulations, restrictions and conditions to which it is subject including, but without

limitation, those relating to any of its Real Property or the use or enjoyment of any of its Real Property or imposed upon the Chargor as owner, occupier or user, as the case may be, of any of its Real Property, and

7 9 2 its obligations under any Security having priority to the Charges, and

7 10 Notices

produce to the Bank within 14 days of receipt by it every notice, order, proposal or other communication given or made in connection with any of its Real Property and, at the option of the Bank and at the cost of the Chargor, either comply with the same or make such objections and representations against the same or take such other action as the Bank may reasonably require or approve

8. LAND REGISTRY

The Chargor and the Bank shall apply to the Land Registry

8 1 for a notice in the following terms (or such other terms as required by the Bank) to be entered on the register of the title to all of the Chargor's Real Property (including Legally Mortgaged Property) registered under the Land Registration Act 2002,

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any future registered charge is to be registered without a written consent signed by the proprietor for the time being of the charge dated ~~7 October 2013~~ in favour of BANK OF CHINA (UK) LIMITED referred to in the charges register", and

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8 2 for a notice of the floating Charge created by this Deed to be entered on the said register

9 INTELLECTUAL PROPERTY

The Chargor shall

9 1 do all things necessary to safeguard and maintain its Intellectual Property Rights used in or necessary for its business including

9 1 1 maintaining any registrable Intellectual Property Rights on the relevant register, including, but without limitation, payment of all renewal fees due in respect thereof,

9 1 2 observing all covenants and stipulations relating to such Intellectual Property Rights,

9 1 3 obtaining all necessary registrations in relation to such Intellectual Property Rights, and

9 1 4 commencing and diligently prosecuting, or permitting the Bank in the name of but at the cost of the Chargor to commence and prosecute, all proceedings necessary to prevent any infringement of any such Intellectual Property Rights or to recover damages in respect thereof,

9 2 without prejudice to Clause 4 2, not, without the prior written consent of the Bank, grant any exclusive registered user agreement or exclusive licence in relation to any such Intellectual Property Rights, and

9 3 promptly notify the Bank of any existing or future contract for it to acquire (by licence or otherwise), or application to register, any Intellectual Property Rights

10. BOOK DEBTS AND BANK BALANCES

10 1 Collection of Book Debts

Except as the Bank may otherwise direct, the Chargor shall

10 1 1 get in and realise

- (a) all Book Debts,
- (b) all Negotiable Instruments,
- (c) all Charged Investments, which the Bank has agreed in writing shall not be subject to Clause 11, and
- (d) all royalties, fees and income of like nature in relation to its Intellectual Property Rights now or hereafter used in or necessary for its business, in the ordinary course of its business (which shall not include or extend to selling or assigning or in any other way factoring or discounting the same), and hold the proceeds of such getting in and realisation (until payment in accordance with Clause 10 1 2 upon trust for the Bank), and

10 1 2 pay the proceeds of such getting in and realisation into such account or accounts (which may or may not be with the Bank) as may be specified in writing by the Bank to the Chargor from time to time (collectively the "**Special Account**") or as the Bank may require

10 2 Withdrawals

Except with the prior written consent of the Bank, the Chargor shall not withdraw all or any part of the Bank Balances

10 3 Other restrictions

Without prejudice and in addition to Clauses 4 1 and 4 2

- 10 3 1** the Chargor shall immediately deliver to the Bank on demand such documents relating to such of the Book Debts and the Bank Balances as the Bank may specify,
- 10 3 2** except for the Charges, the Chargor shall not create or permit to subsist any Security over all or any part of the Book Debts or the Bank Balances,
- 10 3 3** except as required by Clause 10 3 4, the Chargor shall not sell, factor, discount, transfer, assign, lend or otherwise dispose of all or any part of the Book Debts or the Bank Balances, and
- 10 3 4** the Chargor shall immediately execute and deliver to the Bank on demand, in such form as the Bank may reasonably require, a statutory assignment of all the Chargor's right, title and interest in and to such of the Book Debts and Bank Balances as the Bank may specify (either generally or specifically), and give such notices to the relevant debtors and take all such other steps as the Bank may reasonably require to perfect or protect such assignment

10 4 Notice of Charge over Bank Balances

The Chargor shall

- 10 4 1** forthwith give notice of the fixed Charge created by Clause 3 1 2(h) and such instructions as the Bank may direct to each person with whom the Chargor holds Bank Balances, and

- 10 4 2 use best endeavours to procure that each such person acknowledges in writing to the Bank that such Bank Balances are subject to the fixed Charge created by Clause 3 1 2(h) and that, to the fullest extent permitted by applicable law, such person waives and agrees not to exercise any right of set-off or any other equities in respect of such Bank Balances

10 5 Application of Bank Balances

At any time after the Charges have become enforceable the Bank may apply the Bank Balances in or towards payment and discharge of the Secured Sums

11 CHARGED INVESTMENTS

11 1 Deposit of Charged Investments and transfers

The Chargor covenants with the Bank that it shall immediately after the execution of this Deed, and as soon as practicable following its acquisition of any Investments, deposit with the Bank

- 11 1 1 all certificates, documents of title and other documentary evidence of ownership in relation to the Charged Investments, and
- 11 1 2 transfers of the Charged Investments duly executed by the Chargor (or its nominee) in blank or, if the Bank so requires, duly executed by the Chargor (or its nominee) in favour of the Bank (or its nominee) and stamped, and such other documents as the Bank may require to enable the Bank (or its nominee) or, after the occurrence of an Event of Default, any purchaser to be registered as the owner of, or otherwise obtain legal title to, the Charged Investments

11 2 Covenants

The Chargor covenants with the Bank that it shall

- 11 2 1 ensure that the Charged Investments are at all times free from any restriction on transfer by the Bank or any of its nominees to perfect or enforce the security constituted or intended to be constituted by this Deed and procure that the board of directors of any company in which any of the Charged Investments are held approves any transfer of any or all of the Charged Investments desired to be made by the Bank in the exercise of the rights, powers and remedies conferred upon it by this Deed or by law,
- 11 2 2 duly and promptly pay and indemnify the Bank (or its nominee) against all calls and other monies which may lawfully be required to be paid in respect of any of the Charged Investments, and
- 11 2 3 if requested by the Bank and immediately upon receipt, deliver to the Bank a copy of every circular, notice, report, set of accounts or other document received by the Chargor (or its nominee) in connection with any of the Charged Investments

11 3 Voting rights, dividends, etc

- 11 3 1 Until the Charges shall become enforceable
- (a) all voting and other Rights attaching to the Charged Investments may be exercised by the Chargor, or shall be exercised in accordance with its direction, for any purpose not inconsistent with the terms of this Deed, and
- (b) all cash dividends, interest and other distributions paid in respect of the Charged Investments shall be paid into the Special Account

11 3 2 If the Charges shall become enforceable

- (a) the Bank or, as the case may be, the Receiver shall be entitled to exercise or direct the exercise of all voting and other Rights now or at any time attaching to the Charged Investments,
- (b) the Chargor shall comply or procure compliance with any direction of the Bank or, as the case may be, the Receiver in respect of the exercise of such voting and other Rights and shall deliver to the Bank or, as the case may be, the Receiver such forms of proxy or other appropriate forms of authorisation to enable the Bank or, as the case may be, the Receiver to exercise such voting and other Rights, and
- (c) the Bank shall be entitled to receive and retain all dividends, interest and other distributions paid in respect of the Charged Investments and apply them in or towards the payment or discharge of the Secured Sums

11 4 Exempted Charged Investments

This Clause shall not apply to those Charged Investments which are held by the Chargor by way of temporary investment and which the Bank has agreed in writing shall not be subject to this Clause 11

12 FURTHER ASSURANCES

12 1 General

The Chargor shall, at the request of the Bank but at the cost of the Chargor, promptly execute and do all such assurances, acts and things in such form as the Bank may from time to time require

12 1 1 for perfecting, preserving or protecting the Charges or the priority of the Charges, and

12 1 2 for facilitating the realisation of the Charged Assets or the exercise of any Rights vested in the Bank or in any Receiver, and shall in particular, but without limitation, execute all such transfers, conveyances, assignments and assurances of the Charged Assets whether to the Bank or to its nominees or otherwise, and give all such notices, orders, instructions and directions which the Bank may consider expedient

12 2 Specific security

Without prejudice to the generality of Clause 12 1, the Chargor shall, at the request of the Bank but at the cost of the Chargor, promptly execute and deliver to the Bank in such form as the Bank may require such other Security over such of the Chargor's Assets as shall be required by the Bank (whether generally or specifically, and whether for the purpose of obtaining legal title to the relevant Assets, creating Security which is effective under the laws of a foreign jurisdiction, or otherwise)

13 ENFORCEMENT

13 1 Charges shall become enforceable

The Charges shall become enforceable, and the powers conferred by section 101 of the LPA as varied and extended by this Deed shall be exercisable, upon and at any time after the occurrence of any of the following events (each an "Event of Default")

- 13 1 1 the Borrower fails to pay any of the Secured Sums or commits any breach of any of its covenants, obligations or other provisions of the Facility Letter (including, but without limitation, the occurrence of any 'Event of Default' as defined by the Facility Letter) or any Security Document,
- 13 1 2 the Chargor fails to pay any of the Secured Sums in accordance with Clause 2 of this Deed or otherwise fails to perform or comply with its obligations under this Deed, or
- 13 1 3 the Chargor commits any breach of any of the covenants, obligations or other provisions of this Deed or any deed or guarantee supplemental to this Deed or of any agreement entered into between the Bank and the Chargor whether before or after the date of this Deed, or
- 13 1 4 any representation, warranty or statement made or deemed to be made or repeated by the Chargor in or in connection with this Deed is incorrect when made or deemed to be made or repeated, or
- 13 1 5 any distress, attachment, execution or other legal process is levied or enforced upon or sued out against any of the Charged Assets and is not removed or discharged within 7 days, or
- 13 1 6 a material adverse change occurs, in the opinion of the Bank, in the Assets, condition or operations of the Chargor or of the Chargor and its subsidiaries or holding companies taken as a whole, or in the Assets, condition or operations of any Guarantor, or
- 13 1 7 the Dissolution of the Chargor or any of its subsidiaries or holding companies or any Guarantor is commenced or any Guarantor, being an individual, becomes incapacitated or dies, or
- 13 1 8 the Chargor or any of its subsidiaries or holding companies or any Guarantor stops or threatens to stop payment or ceases or threatens to cease to carry on its business or suspends payment of its debts or is unable to pay its debts within the meaning of section 123 of the Insolvency Act or is deemed either unable to pay his debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act, or
- 13 1 9 the Chargor or any of its subsidiaries or holding companies or any Guarantor becomes insolvent or is unable to pay its debts or enters into a voluntary arrangement or other dealing with any of its creditors with a view to avoiding, or in expectation of, insolvency or stops or threatens to stop payments generally or an encumbrancer takes possession or an administrative receiver, receiver and manager or other receiver is appointed of the whole or any material part of the Assets of the Chargor or any of its subsidiaries or holding companies or any Guarantor, or
- 13 1 10 any Security on, over or with respect to any of the Charged Assets becomes enforceable, or
- 13 1 11 the obligations expressed to be assumed by the Chargor under this Deed, or by any Guarantor under any guarantee given in relation to the Secured Sums, cease to be valid and legally binding as against the Chargor or such Guarantor, or
- 13 1 12 the Chargor, the Borrower or, where applicable, any Guarantor ceases to be controlled by the person who controlled the Chargor, the Borrower or such Guarantor, as the case may be, on the date of this Deed and, for these purposes, the Chargor, the Borrower or any Guarantor, as the case may be, shall be deemed to be controlled by any person if and so long as such person has the ability directly or indirectly whether alone or in concert with any other person to require the Chargor, the Borrower or the Guarantor, as the case may be, to act or refrain from

acting in relation to a particular matter (whether through the holding of voting rights or the right to control the exercise of voting rights in the Chargor, the Borrower or the Guarantor, through the right to appoint or remove any member or members of the board of directors of the Chargor, the Borrower or the Guarantor, through contractual agreement or any other arrangement having such an effect or otherwise), or

- 13 1 13 any Guarantor gives notice under the relevant guarantee of the discontinuance of any further liability under such guarantee or if the Guarantor's obligations under or in connection with such guarantee are for any reason released or discharged other than with the prior written consent of the Bank including, but without limitation, as a result of the invalidity, unenforceability, illegality or voidability of any obligation under or in connection with such guarantee or in the event of any breach of or failure to perform the obligations under such guarantee by the Guarantor, or
- 13 1 14 any order is made or confirmed for the compulsory acquisition of any of the Chargor's Real Property (including the Legally Mortgaged Property) or any part thereof, or
- 13 1 15 the Chargor or its subsidiaries or holding companies whether by a single transaction or a number of transactions (whether related or not and whether at the same time or over a period of time) sell, transfer, lend, lease out, surrender or otherwise dispose of the whole or any part, which is material in relation to the Assets of the Chargor and its subsidiaries or holding companies taken as a whole, of their respective Assets

13 2 Section 101 LPA

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

13 3 Sections 93 and 103 LPA

Sections 93 and 103 of the LPA shall not apply to this Deed

13 4 Bank's discretion

After the Charges have become enforceable, the Bank may in its absolute discretion exercise all or any of its Rights under this Deed in such manner as it sees fit

14. APPOINTMENT OF RECEIVERS

14 1 Appointment

At any time

- 14 1 1 after the Charges have become enforceable (whether or not the Bank shall have taken possession of the Charged Assets),
- 14 1 2 at the request of the Chargor, or
- 14 1 3 following the Dissolution of the Chargor,

without any notice or further notice, the Bank may by deed, or writing signed by any officer or manager of the Bank or any person authorised for this purpose by the Bank, appoint any person to be Receiver, and may similarly remove any Receiver (subject to any requirement for an order of the court in the case of an administrative receiver) whether or not the Bank appoints any person in his place. If the Bank appoints more than one person as Receiver, the Bank may give the relevant persons power to act either jointly or severally

14 2 Scope of appointment

Any Receiver may be appointed either Receiver of all the Charged Assets or Receiver of such part of the Charged Assets as may be specified in the appointment. In the latter case, the Rights conferred on a Receiver by Clause 15 shall have effect as though every reference in that Clause to the "Charged Assets" were a reference to the part of such Charged Assets so specified or any part thereof.

15. RIGHTS OF RECEIVERS

15 1 Rights

Any Receiver appointed under this Deed shall (subject to any contrary provision specified in his appointment) have the Right, either in his own name or in the name of the Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit

15 1 1 Possession

to enter upon, take possession of, and collect and get in the Charged Assets,

15 1 2 Carry on business

to manage and carry on any business of the Chargor including the Right to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which the Chargor is a party and exercise in respect of the Charged Investments all voting or other laws or rights available to a registered holder thereof,

15 1 3 Deal with Charged Assets

to sell, transfer, assign, redeem, exchange, hire out and lend the Charged Assets, grant leases, tenancies, licences, rights of user and renewals and accept surrenders of and re-enter upon leases, tenancies, licences and rights of user of the Charged Assets, and otherwise dispose of or realise the Charged Assets (including in each case any Fixtures, which may be sold separately from any of the Chargor's Real Property containing them), either by public offer or auction, tender or private contract (with or without advertisement and in any lots) to any person (including the Bank) and for rents, premiums or other compensation or consideration (whether comprising cash, Debentures or other obligations, Investments or other valuable consideration of any kind, and whether payable or deliverable in a lump sum or by instalments),

15 1 4 Hive down

without prejudice to the generality of Clause 15 1 3, to do any of the following acts and things

- (a) to promote or procure the formation of any new company, whether or not a wholly owned subsidiary of the Bank,
- (b) to subscribe for or acquire (for cash or otherwise) any Investments in or of such new company,
- (c) to sell, transfer, assign, redeem, hire out and lend the Charged Assets, and to grant leases, tenancies, licences and rights of user of the Charged Assets, to any such new company or any person whatsoever and accept as consideration or part of the consideration therefor any Investments in or of any such new company or person or

allow the payment of the whole or any part of such consideration to remain deferred or outstanding, and

- (d) to sell, transfer, assign, exchange and otherwise dispose of or realise any such Investments or deferred consideration or part thereof or any Rights attaching thereto,

15.1.5 *Borrow money*

for the purpose of exercising any of the Rights conferred on him by or pursuant to this Deed or of defraying any costs, charges, losses, liabilities or expenses (including his remuneration) incurred by or due to him in the exercise thereof or for any other purpose, to borrow or raise money either unsecured or on the security of the Charged Assets (either in priority to the Charges or otherwise) and generally on such terms and conditions as he may think fit,

15.1.6 *Calls*

to make or require the directors of the Chargor to make such calls in respect of any uncalled capital of the Chargor as he may think expedient and to enforce payment of any call so made by action (in the name of the Chargor or the Receiver as may be thought fit) or otherwise,

15.1.7 *Covenants and guarantees*

to enter into bonds, covenants, commitments, guarantees, indemnities and like matters and to make all payments needed to effect, maintain or satisfy the same,

15.1.8 *Dealings with tenants*

to reach agreements and make arrangements with, and to make allowances to, any lessees, tenants or other persons from whom any rents or profits may be receivable (including those relating to the grant of any licences, or the review of rent in accordance with the terms of, and the variation of, the provisions of any leases, tenancies, licences or rights of user affecting the Charged Assets),

15.1.9 *Rights of ownership*

to manage and use the Charged Assets and to exercise and do (or permit the Chargor or its nominee to exercise and do) all such Rights and things as the Receiver would be capable of exercising or doing if he were the absolute beneficial owner of the Charged Assets and in particular, but without limitation, to exercise any Rights of enforcing any Security by foreclosure, sale or otherwise and all Rights attaching to Investments and to arrange for or provide all services which he may deem proper for the efficient management or use of the Charged Assets or the exercise of such Rights,

15.1.10 *Repairs, improvements etc*

to make and effect decorations, repairs, structural and other alterations, improvements and additions in or to the Charged Assets (including, but without limitation, the development or redevelopment of any of the Chargor's Real Property thereon) and to purchase or otherwise acquire any materials, articles or things and do anything else in connection with the Charged Assets as he may think desirable for the purpose of making them productive or more productive, increasing their letting or market value, or protecting the Charges,

15.1.11 *Claims*

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to the Charged Assets,

15 1 12 *Legal actions*

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets or any of the businesses of the Chargor,

15 1 13 *Redemption of Security*

to redeem any Security (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of encumbrancers, and any accounts so settled shall be conclusive and binding on the Chargor,

15 1 14 *Employees etc*

to appoint, hire and employ officers, employees, contractors, agents and advisors of all kinds and to discharge any such persons and any such persons appointed, hired or employed by the Chargor,

15 1 15 *Insolvency Act*

to exercise all the powers set out in Schedule 1 to the Insolvency Act as in force at the date of this Deed (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver), and

15 1 16 *Other Rights*

to do all such other acts and things he may consider necessary or expedient for the realisation of the Charged Assets or incidental to the exercise of any of the Rights conferred on the Receiver under or in connection with this Deed, the LPA or the Insolvency Act and to concur in the doing of anything which he has the Right to do and to do any such thing jointly with any other person

15 2 *Agent of Chargor*

Any Receiver shall be the agent of the Chargor for all purposes and the Chargor shall be solely responsible for his contracts, engagements, acts, omissions, defaults and losses and for all liabilities incurred by him

15 3 *Remuneration*

Subject to section 36 of the Insolvency Act, the Bank may from time to time determine the remuneration of any Receiver (without being limited to the maximum rate specified in section 109(6) of the LPA) and may direct payment of such remuneration out of monies accruing to him as Receiver but the Chargor alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver

16. *RIGHTS OF BANK*

16 1 *Rights of Receiver*

Any Rights conferred by this Deed upon a Receiver may be exercised by the Bank after the Charges have become enforceable, irrespective of whether the Bank shall have taken possession or appointed a Receiver

16 2 *Redemption of Security*

The Bank may at any time redeem any Security over the Charged Assets having priority to the Charges or procure the transfer thereof to the Bank and may settle the accounts of encumbrancers. Any accounts so settled shall be conclusive and binding on the Chargor. The Chargor shall on demand pay to the Bank all principal monies, interest, costs, charges, losses, liabilities and expenses of and incidental to any such redemption or transfer.

16 3 Suspense account

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

16 4 New accounts

At any time following (i) the Bank receiving notice (either actual or otherwise) of any subsequent Security affecting the Charged Assets or (ii) the Dissolution of the Chargor, the Bank may open a new account in the name of the Chargor (whether or not it permits any existing account to continue). If the Bank does not open such new account, it shall nevertheless be treated as if it had done so at the time when the notice was received or was deemed to have been received or, as the case may be, the Dissolution commenced. Thereafter, all payments made by the Chargor to the Bank or received by the Bank for the account of the Chargor shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Deed at the time when the Bank received or was deemed to have received such notice or the Dissolution commenced.

16 5 Delegation

The Bank may delegate in any manner to any person (a "Delegate") any of the Rights which are for the time being exercisable by the Bank under this Deed. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Bank may think fit.

16 6 Set-off by Bank

The Bank may, without notice to the Chargor and without prejudice to any of the Bank's other Rights, set off any obligation (whether or not matured) owed by the Bank to the Chargor against any Secured Sums which are due and unpaid, regardless of the place of payment or booking branch, and for that purpose the Bank may convert one currency into another at the rate of exchange determined by the Bank in its absolute discretion to be prevailing at the date of set-off. The Chargor waives any present or future right of set-off it may have in respect of the Secured Sums (including sums payable by the Chargor under this Deed).

17 APPLICATION OF MONIES

17 1 All monies arising from the exercise of the powers of enforcement under this Deed shall (except as may be otherwise required by applicable law) be held and applied in the following order of priority (but without prejudice to the right of the Bank to recover any shortfall from the Chargor):

17 1 1 in or towards payment of all costs, charges, losses, liabilities and expenses of and incidental to the appointment of any Receiver and the exercise of any of his Rights including his remuneration and all outgoings paid by him,

17 1 2 in or towards the payment or discharge of such of the Secured Sums in such order as the Bank in its absolute discretion may from time to time determine, and

17 1 3 after all the Secured Sums have been paid or discharged in full, in payment of any surplus to the Chargor or other person entitled to it.

18. LIABILITY OF BANK, RECEIVERS AND DELEGATES

18 1 Possession

If the Bank, any Receiver or any Delegate shall take possession of the Charged Assets, it or he may at any time relinquish such possession

18 2 Bank's liability

The Bank shall not in any circumstances (whether by reason of taking possession of the Charged Assets or for any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever)

18 2 1 be liable to account to the Chargor or any other person for anything except the Bank's own actual receipts which have not been distributed or paid to the Chargor or the persons entitled, or at the time of payment honestly and reasonably believed by the Bank to be entitled, thereto, or

18 2 2 be liable to the Chargor or any other person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any realisation of the Charged Assets or from any act, default, omission or misconduct of the Bank, its officers, employees or agents in relation to the Charged Assets except to the extent that they shall be caused by the Bank's own fraud, negligence or wilful misconduct or that of its officers or employees

18 3 Receiver's liability

The provisions of Clause 18 2 shall apply, mutatis mutandis, in respect of the liability of any Receiver or Delegate, or of any officer, employee or agent of the Bank, any Receiver or any Delegate

18 4 Indemnity

The Bank and every Receiver, Delegate, attorney, manager, agent or other person appointed by the Bank hereunder shall be entitled to be indemnified out of the Charged Assets in respect of all liabilities and expenses incurred by any of them in the execution or purported execution of any of the Bank's Rights including, but without limitation, those incurred in or in connection with the valuation or revaluation of the Charged Assets, and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets, and the Bank and any such Receiver, Delegate, attorney, manager, agent or other person appointed by the Bank hereunder may retain and pay all sums in respect of the same out of any monies received

19 LIABILITY OF THE CHARGOR AND LENDER'S PROTECTIONS

19 1 Liability not discharged

The Chargor's liability under this Deed in respect of any of the Secured Sums shall not be discharged, prejudiced or affected by

(a) any intermediate payment, settlement of account or discharge in whole or in part of the Secured Sums,

(b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Bank may now or after the date of this Deed have from or against the Borrower, the Chargor or any other person in connection with the Secured Sums,

- (c) any act or omission by the Bank or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Borrower, the Chargor or any other person,
- (d) any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Sums including, without limitation, any change in the purpose of, any increase in or extension of the Secured Sums and any addition of new Secured Sums,
- (e) any grant of time, indulgence, waiver or concession to the Borrower, the Chargor or any other person,
- (f) any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Borrower, the Chargor or any other person,
- (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower, the Chargor or any other person in connection with the Secured Sums,
- (h) any claim or enforcement of payment from the Borrower, the Chargor or any other person, or
- (i) any other act or omission which would have discharged or affected the liability of the Chargor had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this Deed

19.2 Immediate recourse

The Chargor waives any right it may have to require the Bank

- (a) to take any action or obtain judgment in any court against the Borrower or any other person,
- (b) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Borrower or any other person, or
- (c) to make demand, enforce or seek to enforce any claim, right or remedy against the Borrower or any other person,

before taking steps to enforce any of its rights or remedies under this Deed

19.3 Non-competition

The Chargor warrants to the Bank that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Borrower, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Chargor under this Deed but

- (a) if any of the Rights is taken, exercised or received by the Chargor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Chargor on trust for the Bank for application in or towards the discharge of the Secured Sums under this Deed, and
- (b) on demand by the Bank, the Chargor shall promptly transfer, assign or pay to the Bank all Rights and all monies from time to time held on trust by the Chargor under this clause 18.3

20. PROTECTION OF THIRD PARTIES

No person dealing with the Bank, any Receiver or any Delegate shall be concerned to enquire whether any event has happened upon which any of the Rights conferred under or in connection with this Deed, the LPA or the Insolvency Act are or may be exercisable, whether any consents, regulations, restrictions or directions relating to such Rights have been obtained or complied with or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such Rights or as to the application of any monies borrowed or raised or other proceeds of enforcement. All the protections to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act or in any other legislation for the time being in force shall apply to any person purchasing from or dealing with the Bank, any Receiver or any Delegate.

21. CONTINUING SECURITY

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

22. OTHER SECURITY

The Charges shall be in addition to and shall not be prejudiced by any other Security or any guarantee or indemnity which the Bank may at any time hold for the payment of the Secured Sums.

23. RELEASE OF CHARGED ASSETS

23.1 Release of Charged Assets

If the Bank is satisfied that

23.1.1 all Secured Sums have been paid or discharged in full and all facilities which may give rise to any Secured Sums have been terminated, or

23.1.2 acceptable Security or an acceptable guarantee for the Secured Sums has been provided in substitution for this Deed,

then, subject to Clause 23.2, the Bank shall at the request and cost of the Chargor execute such deeds and do all such things as may be necessary to release the Charged Assets from the Charges.

23.2 Retention of Deed

If the Chargor requests the Bank to release the Charged Assets from the Charges following any payment, discharge, Security or guarantee made or given in relation to the Secured Sums by a person other than the Chargor (a "**Relevant Transaction**"), the Bank shall be entitled to retain this Deed and shall not be obliged to release the Charged Assets from the Charges until the expiry of the Retention Period in relation to that Relevant Transaction. If at any time before the expiry of that Retention Period the Dissolution of such other person shall have commenced, the Bank may continue to retain this Deed and shall not be obliged to release the Charged Assets from the Charges for such further period as the Bank may determine.

23.3 Retention Period

For the purpose of Clause 23.2, "**Retention Period**" means, in relation to any Relevant Transaction, the period which commences on the date when that Relevant Transaction was made or given, and which continues for one month plus the maximum period within which that Relevant Transaction can be avoided, reduced or invalidated by virtue of any applicable law or for any other reason whatsoever.

24. POWER OF ATTORNEY

24 1 Appointment

The Chargor appoints, irrevocably and by way of security, the Bank, every Receiver and every Delegate severally to be the attorney of the Chargor (with full powers of substitution and delegation), on its behalf and in its name or otherwise, at such time and in such manner as the attorney may think fit

24 1 1 to do anything which the Chargor is obliged to do (but has not done) under this Deed including, but without limitation, to complete and execute any transfer of or Security over the Charged Assets, and

24 1 2 generally to exercise all or any of the Rights conferred on the Bank, any Receiver or any Delegate in relation to the Charged Assets or under or in connection with this Deed, the LPA or the Insolvency Act

24 2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney shall do or purport to do in the exercise or purported exercise of the power of attorney in Clause 24 1

25 RENT

25 1 Nothing contained in this Deed or in the Facility Letter shall constitute the Bank a mortgagee in possession

25 2 The Chargor shall during the continuance of this security give to the Bank such information with regard to any Rents and Managing Agents as the Bank shall require and, if so requested by the Bank in such circumstances when the Bank has reason to believe an Event of Default may occur or has occurred, irrevocably instruct all or any tenants of any of the Chargor's Real Property (including the Legally Mortgaged Property) to pay the Rents as they fall due directly into an account opened in the name of the Chargor with a bank approved by the Bank in writing (the "Rental Account") until the Bank shall require the Chargor to instruct the tenants otherwise

25 3 At any time after the Secured Sums have become payable, the Bank may without further demand or notice to the Chargor appropriate the whole or any part of the sums then or thereafter standing to the credit of the Rental Account in or towards satisfaction of the Secured Sums

26 DEFAULT INTEREST

26 1 If the Chargor fails to pay any Secured Sum on the due date for payment, the Chargor shall pay to the Bank on demand interest at the Default Rate calculated day by day from

26 1 1 in the case of costs, charges, losses, liabilities, expenses and other sums referred to in Clause 29, the date on which the relevant cost, charge, loss, liability, expense or sum was expended, paid or debited on account by the Bank without the necessity of any demand being made for payment thereof, or

26 1 2 in any other case, the date on which the relevant Secured Sum became due, until full payment and discharge of the relevant Secured Sum (both before and after any judgment)

27. CURRENCY INDEMNITY

27 1 Currency Indemnity

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

27 2 Rate of exchange

For the purpose of Clause 27 1, "**rate of exchange**" means the rate at which the Bank is able on the relevant date to purchase the Required Currency with the Other Currency and shall take into account any commission, premium and other costs of exchange and Taxes payable in connection with such purchase

28. CERTIFICATE TO BE CONCLUSIVE EVIDENCE

For all purposes, including any Proceedings, a copy of a certificate signed by an officer of the Bank as to the amount of any indebtedness comprised in the Secured Sums or as to any applicable rate of interest shall be (in the absence of manifest error) conclusive evidence against the Chargor as to the amount or rate thereof

29 COSTS AND EXPENSES

29 1 The Chargor shall indemnify the Bank on demand against all costs, charges, losses, liabilities, expenses and other sums (including Taxes thereon and legal, accountants' and other professional fees) expended, paid or debited on account by the Bank in relation to this Deed, and/or any other document referred to in this Deed, including, without prejudice to the generality of the foregoing

29 1 1 in connection with the negotiation, preparation, execution, stamping, filing, registration and perfecting of this Deed,

29 1 2 in connection with the granting of any waiver or consent sought by the Chargor or in connection with any variation, amendment, extension or modification of this Deed,

29 1 3 in enforcing, protecting, preserving or realising, or attempting to enforce, protect, preserve or realise, the Bank's Rights under this Deed,

29 1 4 discharging any fees payable to the Managing Agents at any time in respect of the Rents, the Rental Account or otherwise to the extent that the same are not paid by the tenants under the Letting Documents, and

29 1 5 in connection with or contemplation of any Proceedings or the recovery or attempted recovery of any of the Secured Sums

30. STAMP DUTY

30 1 The Chargor shall pay promptly, and in any event before any penalty becomes payable, all stamp, documentary and similar Taxes, if any, payable in connection with the entry into, performance, enforcement or admissibility in evidence of this Deed or any other document referred to in this Deed, and shall indemnify the Bank against any liability with respect to, or resulting from any delay in paying or omission to pay, any such Tax

31. COMMUNICATIONS

31 1 Communications to be in writing

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

31 2 Methods of delivery

Any such communication shall be addressed, in the case of the Bank, to Bank of China (UK) Limited, 1 Lothbury, London EC2R 7DB marked for the attention of Harold Tang/Becky Yan and, in the case of the Chargor, to Drivemore Limited at 8 Wing Yip Business Centre, 395 Edgware Road, London NW2 6LN marked for the attention of Chu Ting Tang and, if so addressed, shall be deemed to have been duly given or made as follows

31 2 1 if delivered personally, upon delivery at the address of the relevant party,

31 2 2 if sent by first class post, two Business Days after the date of posting,

31 2 3 if sent by facsimile transmission, upon despatch, and

31 2 4 if sent by telex, when despatched but only if the recipient's answerback appears correctly at the start and end of the sender's telex,

PROVIDED THAT if, in accordance with the above provisions, any such communication would otherwise be deemed to be given or made outside Working Hours, such communication shall be deemed to be given or made at the start of Working Hours on the next Business Day

31 3 Change of details

A party may notify the other party to this Deed at any time of a change to its name, addressee, address, facsimile or telex number for these purposes provided that such notification shall only be effective on

31 3 1 the date specified in the notification as the date on which the change is to take place, or

31 3 2 if no date is specified or the date specified is less than five Business Days after the date on which notice is given, the date falling five Business Days after notice of any such change has been given

32 RIGHTS AND WAIVERS

32 1 Delay

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

32 2 Single or partial exercise

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

32 3 Rights to be cumulative

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

33. INVALIDITY

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

- 33 1 the legality, validity or enforceability in that jurisdiction of any other provision of this Deed, nor
- 33 2 the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Deed, shall be affected or impaired

34 ASSIGNMENT AND TRANSFER

The Bank may at any time, without the consent of the Chargor, assign or transfer the whole or any part of the Bank's Rights under this Deed. The Chargor may not assign or transfer the whole or any part of its Rights or obligations under this Deed

35 RIGHTS OF THIRD PARTIES

- 35 1 No one other than a party to this Deed (except for a permitted successor or assign) shall have any right to enforce any of its terms

36. COUNTERPARTS

- 36 1 This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed

37 GOVERNING LAW

37 1 Governing law and submission

This Deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) is governed by English law and the parties to this Deed submit to the exclusive jurisdiction of the English courts

37 2 Non-exclusivity


Nothing in this Clause 37 limits the right of the Bank to bring proceedings against the Chargor in connection with this Deed


37 2 1 in any other court of competent jurisdiction, or

37 2 2 concurrently in more than one jurisdiction,

where the Bank considers that the raising of such proceedings is necessary or desirable for the protection or enforcement of its rights under this Deed

IN WITNESS WHEREOF the Chargor and the Bank have executed this document as a deed the day and year first before written

<p>EXECUTED as a Deed by DRIVEMORE LIMITED acting by CHU TING TANG a director in the presence of</p>		
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<p>EXECUTED as a Deed by BANK OF CHINA (UK) LIMITED acting by one director in the presence of</p>		
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