



Registration of a Charge

Company name: **GREATLINE DEVELOPMENTS LTD**

Company number: **04771583**



X58TW6JU

Received for Electronic Filing: **10/06/2016**

Details of Charge

Date of creation: **08/06/2016**

Charge code: **0477 1583 0021**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC ACTING AS AGENT FOR
NATIONAL WESTMINSTER BANK PLC**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT
TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC
COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4771583

Charge code: 0477 1583 0021

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th June 2016 and created by GREATLINE DEVELOPMENTS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th June 2016 .

Given at Companies House, Cardiff on 13th June 2016

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

We hereby certify that this is a
true and correct copy of the original

Execution version

Dated 10 June 2016
Squire Patton Boggs (UK) LLP
SQUIRE PATTON BOGGS (UK) LLP
7 DEVONSHIRE SQUARE
LONDON
EC2M 4YH

DATED

8 June

2016

GREATLINE DEVELOPMENTS LIMITED

as Company

(1)

CORBY LAND & DEVELOPMENT LIMITED

as Borrower

(2)

and

THE ROYAL BANK OF SCOTLAND PLC

acting as agent for

NATIONAL WESTMINSTER BANK PLC

as Lender

(3)

SHAREHOLDER'S SECURITY AGREEMENT

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DATE OF DEED

8 June 2016

PARTIES

- (1) **GREATLINE DEVELOPMENTS LIMITED** (registered in England and Wales under company number 04771583), the registered office of which is at Units 3-4 Twigden Barns, Grooms Lane, Creaton, Northampton, NN6 8NN (the "**Company**");
- (2) **CORBY LAND & DEVELOPMENT LIMITED** (registered in England and Wales under company number 06507909), the registered office of which is at Units 3-4 Twigden Barns, Grooms Lane, Creaton, Northampton, NN6 8NN (the "**Borrower**"); and
- (3) **THE ROYAL BANK OF SCOTLAND PLC** acting as agent for **NATIONAL WESTMINSTER BANK PLC** as Lender (the "**Lender**").

INTRODUCTION

- A The Lender has agreed to make available to the Borrower term loan facilities of up to £25,175,000 subject to and upon the terms and conditions contained in the Facilities Agreement (as defined below).
- B As a condition precedent to and pursuant to the provisions of the Facilities Agreement the Company has agreed to enter into this Deed for the purpose of providing security to the Lender for the Secured Liabilities.

IT IS AGREED THAT:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Authority" means any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other organisation.

"Charged Property" means the whole or any part of the property, assets, income and undertaking of the Company from time to time mortgaged, charged or assigned to the Lender pursuant to this Deed.

"Costs" means all costs, charges or expenses of whatsoever nature (including, without limitation, legal fees) including, without limitation, disbursements and any Value Added Tax to be charged on such costs, charges, expenses and disbursements.

"Declared Default" means an Event of Default which has resulted in the Lender exercising any of its rights under Clause 24.17 (*Acceleration*) of the Facilities Agreement.

"Default Rate" means the annual rate of interest specified in clause 8.5 (*Default Interest*) of the Facilities Agreement.

"Derivative Assets" means all stocks, shares, warrants or other securities, rights, dividends, interest or other property (whether of a capital or income nature) accruing, offered, issued or deriving at any time by way of dividend, bonus, redemption, exchange, purchase, substitution, conversion, consolidation, subdivision, preference, option or otherwise attributable to any of the Shares.

"Event of Default" means any of those events or circumstances set out in clause 24 (*Events of Default*) of the Facilities Agreement.

"Facilities Agreement" means the Facilities Agreement dated on or around the date of this Deed and made between, amongst others, the Borrower and the Lender.

"Finance Documents" bears the meaning ascribed to it in the Facilities Agreement.

"Insolvency Act" means the Insolvency Act 1986.

"LPA" means the Law of Property Act 1925.

"Material Adverse Effect" bears the meaning ascribed to it under the Facilities Agreement.

"Nominees" means the Lender, its agents, nominees and any other person holding the Shares and the Derivative Assets on behalf of the Lender from time to time.

"Related Rights" means, in relation to any Subordinated Loan Agreement and/or any Subordinated Loan:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants of title in respect of that asset; and
- (c) all monies and proceeds paid or payable in respect of that asset.

"Secured Liabilities" means all moneys, debts and liabilities from time to time due, owing or incurred by the Borrower to the Lender on any current or other account whatsoever pursuant to the Finance Documents in each case:

- (a) whether present or future;
- (b) whether alone or jointly with any other person;
- (c) whether actual or contingent;
- (d) whether as principal or as surety;
- (e) in whatsoever name, firm or style; or
- (f) in whatsoever currency denominated.

"Security Period" means the period beginning on the date of this Security Agreement and ending on the date upon which;

- (a) the Lender is not under any obligation (whether actual or contingent) to make advances or provide other financial accommodation to any Obligor under any of the Finance Documents; and
- (b) all Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

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

"Shares" means all stocks, shares and other securities of the Borrower held by the Company at any time being as at the date of this Deed the shares listed in the Schedule (*The Shares*) together with any other shares or other securities issued by the Borrower to the Company or held now or at any time in the future by the Company.

"Subordinated Loans" means the aggregate of all and any loans made available or to be made available by the Company to the Borrower from time to time (and whether pursuant to a Subordinated Loan Agreement or otherwise).

"Subordinated Loan Agreements" means each subordinated loan agreement entered into or to be entered into from time to time between the Borrower and the Company.

1.2 Interpretation

- (a) In this Deed:
 - (i) the contents page and clause headings are included for convenience only and do not affect the construction of this Deed;
 - (ii) words denoting the singular include the plural and vice versa; and
 - (iii) words denoting one gender include each gender and all genders.
- (b) In this Deed, unless the context otherwise requires, references to:
 - (i) persons include references to natural persons, firms, partnerships, companies, corporations, associations, organisations and trusts (in each case whether or not having a separate legal personality);
 - (ii) documents, instruments and agreements (including, without limitation, this Deed and any document referred to in this Deed) are references to such documents, instruments and agreements as modified, amended, varied, supplemented or novated from time to time;
 - (iii) receivers are references to receivers of whatsoever nature including, without limitation, receivers and managers and administrative receivers;
 - (iv) the term the **"Lender"** includes, where the context so admits, references to any delegate of any such person;

- (v) a party to this Deed include references to its successors, transferees and assigns;
- (vi) recitals, clauses and schedules are references to recitals to this Deed, clauses of this Deed and schedules to this Deed; and references to this Deed includes its schedules;
- (vii) paragraphs are references to paragraphs of the schedule in which the references appear;
- (viii) statutory provisions (where the context so admits and unless otherwise expressly provided) are construed as references to those provisions as respectively amended, consolidated, extended or re-enacted from time to time, and to any orders regulations instruments or other subordinate legislation made under the relevant statute; and
- (ix) a time of day is a reference to London time.

1.3 Facilities Agreement defined terms

Unless otherwise defined in this Deed, terms defined in the Facilities Agreement bear the same meaning in this Deed.

1.4 Conflict with Facilities Agreement

If there is any conflict between the provisions of this Deed and the provisions of the Facilities Agreement, the provisions of the Facilities Agreement shall prevail.

2 COVENANT TO PAY

- 2.1 Subject to Clause 2.2, the Company shall on demand pay to the Lender or discharge, as the case may be, all the Secured Liabilities when the Secured Liabilities become due in accordance with the terms of the Finance Documents.
- 2.2 Notwithstanding the terms of any other provision of this Deed, the Lender shall have no recourse against the Company or its assets, whether by way of court proceedings, a trustee in bankruptcy application or otherwise, in respect of its obligations and liabilities under this Deed except by enforcement of its security over the Charged Property, and the liability of the Company shall extend only to and shall not exceed the proceeds of any such enforcement.

3 SECURITY

- 3.1 By way of continuing security in favour of the Lender for the payment and discharge of the Secured Liabilities, the Company with full title guarantee hereby:
 - (a) charges to the Lender by way of first fixed charge, the Shares and Derivative Assets; and
 - (b) assigns absolutely to the Lender (subject to a proviso for reassignment at the end of the Security Period) all of its present and future right, title and interest in and to and the benefit of each Subordinated Loan Agreement, each Subordinated Loan and all Related Rights.

- 3.2 The Company shall remain liable to perform all its obligations under each Subordinated Loan Agreement and in respect of each Subordinated Loan.
- 3.3 To the extent not validly and effectively assigned pursuant to clause 3.1(b) above, the Company charges by fixed charge all its rights, benefits, title, claim and interest in and to each Subordinated Loan Agreement, each Subordinated Loan and all Related Rights.

4 FURTHER ASSURANCE

The Company shall:

- (a) forthwith, at any time if so required by the Lender, at its own expense execute and deliver to the Lender such further legal or other mortgages, charges, assignments, securities, authorities and documents on terms no more onerous than those provided for in this Deed as the Lender may reasonably require of the whole or such part of the Charged Property as the Lender may reasonably specify, in such form as the Lender may reasonably require, to secure the payment or discharge of the Secured Liabilities, including, without limitation, in order to vest the whole or such part of the Charged Property in the Lender, the nominee of the Lender or in any purchaser from the Lender or the Receiver;
- (b) pending the execution and delivery of any such assignments, hold such Charged Property upon trust for the Lender subject to the provisions of this Deed; and
- (c) pending the execution and delivery of any such mortgages, charges, or other security, hold such Charged Property subject to the provisions of this Deed.

5 NOTICES OF ASSIGNMENT

- 5.1 Pursuant to this clause 5, the Company notifies the Borrower that, pursuant to this Deed, the Company has assigned all of its benefits, rights, titles, claims and interests in and to each Subordinated Loan Agreement, each Subordinated Loan and all Related Rights.
- 5.2 The Borrower enters into this Deed to:
- (a) acknowledge to the Lender and the Company that it has notice of the assignments referred to in clause 5.1 above;
 - (b) confirm to the Lender that the Borrower has not claimed or exercised, has no outstanding right to claim or exercise and will not exercise any right of set off, counter claim or other right relating to any payment to be made by the Borrower in respect of any Subordinated Loan Agreement, any Subordinated Loan and/or any Related Right; and
 - (c) acknowledge that the Lender shall not be under any obligation in relation to any Subordinated Loan Agreement and/or any Subordinated Loan as a consequence of this Deed and the Company shall at all times remain liable to

perform all obligations expressed to be assumed by it in respect of each Subordinated Loan Agreement and/or each Subordinated Loan.

6 DEPOSIT OF DOCUMENTS AND TITLE DEEDS

6.1 The Company shall deposit with the Lender (and the Lender during the continuance of this security may hold and retain) all stock or share certificates or other documents of title to or representing the Charged Assets together with such duly executed stock transfers or assignments with the name of the transferee, date and consideration left blank as the Lender may reasonably require to enable the Lender to vest the same in the Lender (or the Nominees as the Lender may reasonably require) or, after the occurrence of a Declared Default, any purchaser to the intent that the Lender may at any time after the occurrence of a Declared Default without notice, present them for registration.

6.2 The Company shall:

- (a) upon the occurrence of a Declared Default procure the registration in the books of the Borrower of the transfer of the Shares and the Derivative Assets to the Lender (or the Nominees as the Lender may require), the entry of the Lender (or the Nominees as the Lender may require) in the register of members of the Borrower as the holder or holders of the Shares and the Derivative Assets, and the issue of new share certificates in respect of the Shares and the Derivative Assets to the Lender (or the Nominees as the Lender may require); and
- (b) upon or promptly following the accrual, offer, issue or receipt of any Derivative Assets deliver or pay to the Lender or procure the delivery or payment to the Lender of all such Derivative Assets or the stock or share certificates or other documents of title to or representing them together with such duly executed transfers or assignments with the name of the transferee, date and consideration left blank as the Lender may reasonably require to enable the Lender to vest the same in the Lender or the Nominees or, after the occurrence of a Declared Default, any purchaser to the intent that the Lender may at any time after the occurrence of a Declared Default without notice present them for registration.

7 NEGATIVE PLEDGE

Save as otherwise provided in the Facilities Agreement, the Company shall not:

- (a) create, purport to create or allow to subsist, any Security Interest over the whole or any part of the Charged Property;
- (b) convey, assign, transfer, or agree to convey, assign or transfer the whole or any part of the Charged Property;
- (c) permit or agree to any variation of the rights attaching to the whole or any part of the Charged Property; or
- (d) do, cause or permit to be done anything which may in the reasonable opinion of the Lender, in any way depreciate, jeopardise or otherwise prejudice the

value to the Lender (whether monetary or otherwise) of the whole or any part of the Charged Property.

8 DIVIDENDS, VOTING RIGHTS AND NOMINEES

8.1 Dividends and voting rights

For so long as no Declared Default has occurred, the Company may:

- (a) subject to clause 6.2(b), receive and retain all dividends, interest and other income deriving from and received by it in respect of the Shares and the Derivative Assets; and
- (b) exercise all voting and other rights and powers attached to the Shares and the Derivative Assets provided that such exercise does not adversely affect the Shares and the Derivative Assets and is not otherwise inconsistent with this Deed and provided further that the Company shall:
 - (i) give the Lender at least five Business Days' written notice of the manner in which it intends to exercise, or its reasons for abstaining from exercising, such right; and
 - (ii) not exercise any right or power if, in the Lender's reasonable opinion, such action would adversely affect the value of the Shares and the Derivative Assets or if such action would be inconsistent with this Deed.

8.2 Trustee powers

The Lender may at its discretion (in the name of the Company or otherwise, subject to clause 8.1 (*Dividends and voting rights*), after the occurrence of a Declared Default and without any consent or authority on the part of the Company) exercise all the powers given to trustees by Sections 3 to 7 (inclusive) of the Trustee Act 2000 in respect of those Shares and the Derivative Assets subject to a trust.

8.3 Lender's powers of enforcement over Shares and the Derivative Assets

- (a) Following the occurrence of a Declared Default, all dividends, interest and other income forming part of the Shares and the Derivative Assets shall, unless otherwise agreed between the Lender and the Company, be paid without any set off or deduction whatsoever to an interest bearing suspense account in the name of the Lender and shall be retained by the Lender until applied as hereinafter provided as part of the Shares and the Derivative Assets and any such monies which may be received by the Company shall, pending such payment, be held in trust for the Lender.
- (b) The Lender shall not have any duty as to any Shares and Derivative Assets and shall incur no liability (other than arising as a consequence of gross negligence or wilful default) for:
 - (i) ascertaining or taking action in respect of any calls instalments, conversions, exchanges, maturities, tenders or other matters in relation to any Shares and Derivative Assets or the nature or

sufficiency of any payment whether or not the Lender has or is deemed to have knowledge of such matters; or

- (ii) taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Shares and Derivative Assets; or
- (iii) for any failure to present any interest, coupon or any bond or stock drawn for repayment or for any failure to pay any call or instalment or to accept any offer or to notify the Company of any such matter or for any failure to ensure that the correct amounts (if any) are paid or received in respect of the Shares and the Derivative Assets.

8.4 Custody

The Lender shall be entitled to provide for the safe custody by third parties of all stock and share certificates and documents of title deposited with the Lender or the Nominees as the Lender may require at the expense of the Company and shall not be responsible for any loss of or damage to any such certificates or documents.

9 REPRESENTATIONS AND WARRANTIES

9.1 General

The Company makes the representation and warranties set out in this clause to the Lender.

9.2 Ownership of the Charged Property

It is absolutely, solely and beneficially entitled to all the Charged Property as from the date it or any part of it falls to be charged under this Deed and the rights of the Company in respect of the Charged Property are free from any Security Interest of any kind.

9.3 No disposal

- (a) Subject to (b) below, it has not sold or agreed to sell or otherwise disposed of, or agreed to dispose of, the benefit of all or any of the Company's right, title and interest in and to the Charged Property.
- (b) The Company may dispose of part of the Shares provided that it at all times retains a shareholding (at whatever proportion) in the Borrower and provided also that any such disposal will only be permissible if it is to the other Shareholder.

9.4 The Shares and the Derivative Assets

- (a) All the Shares are issued and fully paid up, or credited as fully paid up, and as at the date of this Deed constitute at least fifty per cent. (50%) of the entire issued share capital of the Borrower and are free from any Security Interest;
- (b) it has not done any act in relation to its acquisition of any Shares as from the date they fall to be charged pursuant to the terms of this Deed which would involve a breach of Section 678 or 679 of the Companies Act 2006; and

- (c) the Shares have been duly authorised and validly issued and are free from any restriction or transfer on rights of pre-emption.

9.5 Subordinated Loans

Each Subordinated Loan Agreement is in full force and effect in accordance with its terms and is enforceable (subject to the Finance Documents) by the Company against the Borrower. There are no restrictions on the ability of the Company to assign or charge any Subordinated Loan, whether contained in a Subordinated Loan Agreement or otherwise.

9.6 Times when representations made

The representations and warranties set forth in this clause are given and made on and as of the date of this Deed, shall survive the execution of this Deed and are continuing representations and warranties which are deemed to be repeated during the continuance of the security constituted by this Deed.

10 UNDERTAKINGS

The Company gives each of the undertakings contained in this clause to the Lender.

10.1 Duration

The undertakings in this clause shall remain in force until the expiry of the Security Period.

10.2 To comply with statutes

The Company shall comply with all requirements of any Authority, all obligations under any statute and all byelaws and regulations relating to the whole or any part of the Charged Property.

10.3 The Shares and the Derivative Assets

The Company shall:

- (a) duly and promptly pay all calls, instalments or other payments which may be made or become due in respect of any of the Shares and the Derivative Assets as and when the same become due. The Company agrees that, if it fails to do so, the Lender may, in its discretion, make such payments. The Company shall reimburse the Lender for the amount of such payments on demand;
- (b) immediately inform the Lender of any acquisition by the Company of any shares in the Borrower by transfer, issue or any other means whatsoever, including details of the date of the acquisition and any transferor;
- (c) Subject to clause 9.3 above, except with the prior written consent of the Lender, not permit any person other than the Company to be registered as holder of all or any part of the Shares and the Derivative Assets;

- (d) except with the prior written consent of the Lender, not cause or permit to be issued any additional shares of the Borrower (other than the Shares already issued to the other Shareholder) or any securities convertible into, or carrying rights to subscribe for, shares of the Borrower;
- (e) if the Lender gives its prior written consent to an issue of shares pursuant to clause 10.3(d) enter into such security documentation as the Lender may reasonably require (on terms no more onerous than those provided for in this Deed) or shall procure that the beneficial and/or the registered owners enter into such security documentation as the Lender may reasonably (on terms no more onerous than those provided for in this Deed) require in respect of all such additional shares or securities;
- (f) except with the prior written consent of the Lender, not exercise any right it may have against the Borrower (except such rights as may be specifically conferred on the Company by this Deed) except on such terms and in such manner as the Lender may reasonably require and, if it does so in contravention of this clause, it shall hold any amount received or recovered by it as a result of such exercise on trust for the Lender;
- (g) immediately on receipt by it of any report, accounts, circular or notice sent or provided to it (or to any person on its behalf) in connection with its holding of any of the Shares and the Derivative Assets, provide or cause to be provided to the Lender a copy of such item together with a letter explaining that the copy is being provided to the Lender pursuant to this clause; and
- (h) upon the occurrence of a Declared Default promptly transfer all or any part of the Shares and the Derivative Assets to such Nominees as the Lender may in its discretion select.

10.4 Subordinated Loans

The Company shall not take, or omit to take, any action which might result in:

- (a) the alienation or impairment of any rights in any Subordinated Loan; or
- (b) any right to terminate a Subordinated Loan Agreement becoming exercisable by any party to that agreement.

11 DISTRESSED DISPOSAL

- 11.1 If a Distressed Disposal is being effected, the Lender is irrevocably authorised (at the cost of the Borrower and without any consent, sanction, authority or further confirmation from the Borrower or the Company), to release the Borrower from all or any part of the Subordinated Loans.
- 11.2 The net proceeds of a Distressed Disposal shall be paid to the Lender for application in accordance with the Finance Documents as if those proceeds were monies received by the Lender or any receiver under this Deed.
- 11.3 For the purposes of this clause 11, a "**Distressed Disposal**" shall mean a disposal of the shares in the Borrower which is (i) being effected in circumstances where the Transaction Security has become enforceable, (ii) being effected by enforcement of

the Transaction Security or (iii) being effected by the Company after the enforcement of any Transaction Security or after service by the Lender of a notice under clause 24.17 (*Acceleration*) of the Facilities Agreement or after the Lender has served a demand following service of a notice under clause 24.17 (*Acceleration*) of the Facilities Agreement.

12 DEFAULT

12.1 Enforcement

The security created under this Deed will become enforceable on the occurrence of a Declared Default or if the Company requests the Lender in writing to appoint a receiver over the whole or any part of its undertaking or assets.

12.2 Consequences of default

On and at any time after the occurrence of a Declared Default, the Lender in its absolute discretion may by written notice to the Company:

- (a) declare the Secured Liabilities to be immediately due and payable, together with all accrued interest thereon and any other sums then owed by the Company under any Finance Document to which it is a party and, upon that declaration, such sums shall become immediately due and payable without demand or notice of any kind, all of which are hereby expressly waived by the Company; and/or
- (b) declare the Secured Liabilities to be due and payable on demand of the Lender; and/or
- (c) declare the security constituted by the Finance Documents to be enforceable.

13 STATUTORY POWER OF SALE

13.1 For the purposes of all powers implied by statute, and in particular the power of sale under Section 101 of the LPA (Powers incident to estate or interest in a mortgage), the Secured Liabilities will be deemed to have become due when the security created by this Deed becomes enforceable and Section 103 of the LPA (Regulation of exercise of power of sale) and Section 93 of the LPA (Restriction on consolidation of mortgages) will not apply.

13.2 The Lender may exercise its statutory power of sale in respect of the whole or any part of the Charged Property.

14 PROTECTION OF THIRD PARTIES

14.1 Any person (including, without limitation, any purchaser, mortgagor or mortgagee) (in this clause a "**purchaser**") dealing with the Lender may assume without inquiry that:

- (a) some part of the Secured Liabilities has become due;
- (b) a demand for such Secured Liabilities has been duly made; and

- (c) such Secured Liabilities have become due within the meaning of Section 101 of the LPA (Powers incident to estate or interest in a mortgage).

14.2 No purchaser dealing with the Lender is to be concerned to enquire whether any power exercised or purported to be exercised by the Lender has become exercisable, or as to the propriety or regularity of any sale by, or other dealing with the Lender. Any such sale or dealing is deemed to be within the powers conferred by this Deed and to be valid and effective accordingly. All the protection to purchasers contained in Section 104 (Conveyance on sale) and Section 107 (Mortgagee's receipt, discharges etc.) of the LPA and Section 42(3) of the Insolvency Act (Prohibition upon enquiry into administrative receiver's powers) apply to any purchaser.

15 NO LIABILITY AS MORTGAGEE IN POSSESSION

15.1 Mortgagee's liability

The Lender is not:

- (a) liable to account as mortgagee in possession in respect of the Charged Property; or
- (b) liable for any loss upon realisation or exercise of any power, authority or right of the Lender arising under this Deed, nor for any act, default, neglect, or misconduct of any nature whatsoever unless arising as a consequence of its gross negligence or wilful default.

15.2 Possession

If the Lender enters into possession of the Charged Property, such person may at any time go out of possession at the discretion of such person.

16 POWER OF ATTORNEY

16.1 The Company irrevocably appoints, by way of security the Lender and each person deriving title from the Lender, jointly and severally to be its attorney (with full power to appoint substitutes and to sub delegate) for it, in its name, on its behalf and as its act and deed or otherwise to sign or execute any deed or document or do any act or thing which the Company is, or may become, obliged to sign, execute or do pursuant to this Deed (but which it has failed to do) or which the Lender or any person deriving title from the Lender may reasonably think fit in connection with the exercise of any of the powers of such person or the realisation of any security constituted by this Deed.

16.2 Without prejudice to the generality of the foregoing, the Company unconditionally undertakes to the Lender, and separately to each person deriving title from the Lender, that it shall ratify and confirm any lawful act done or purported to be done by any attorney appointed pursuant to this clause.

17 CUMULATIVE AND CONTINUING SECURITY

17.1 This Deed is a continuing security to the Lender during the Security Period regardless of any intermediate payment or discharge of the whole or any part of the

Secured Liabilities and will not be prejudiced or affected by any act, omission or circumstance which, but for this clause, might affect or diminish its effectiveness.

- 17.2 The security constituted by this Deed is in addition to, is not in substitution for, is without prejudice to, and does not merge with, any rights whatsoever which the Lender may have, whether in respect of the Secured Liabilities or otherwise, including, without limitation, any rights arising under any other Security Interest, any bill, note, guarantee, contract or applicable rule of law.
- 17.3 Any receipt, release or discharge of the security constituted by, or of any liability arising under, this Deed shall not release or discharge the Company from any liability which may exist independently of this Deed to the Lender.
- 17.4 Where the security constituted by this Deed initially takes effect as a collateral or further security to any other Security Interest held by the Lender then, notwithstanding any receipt, release or discharge given in respect of such other Security Interest, this Deed shall take effect as an independent security for any monies, liabilities or other sums secured by such other Security Interest.

18 AVOIDANCE OF PAYMENTS

- 18.1 No assurance, security or payment which may be avoided under the law or subject to an order of the court made under any law relating to bankruptcy, insolvency, administration or winding up, including, without limitation, the Insolvency Act, and no release, settlement or discharge given or made by the Lender on the faith of any such assurance, security or payment, prejudices or affects the right of the Lender:
- (a) to recover any monies from the Company (including, without limitation, any monies which it is compelled to refund under Chapter X (Malpractice before and during liquidation; penalisation of companies and company officers; investigations and prosecutions) of the Insolvency Act and any Costs payable by it incurred in connection with such process); or
 - (b) to enforce the security constituted by this Deed to the full extent of the Secured Liabilities.
- 18.2 The Lender may at its discretion retain the security so created as security for the Secured Liabilities for a period of one month plus any statutory period within which any such assurance, security or payment can be avoided or invalidated notwithstanding any release, settlement, discharge or arrangement given or made by the Lender.
- 18.3 If at any time within the period referred to in clause 18.1(b) any person takes any step whatsoever relating to (i) the winding up or administration of the Company; or (ii) any arrangement with the creditors of the Company, the Lender may retain the whole or any part of the security constituted by this Deed for such further period as the Lender may in its discretion think fit. Such security will be deemed to have been held and remained held by the Lender as security for the payment to the Lender of the Secured Liabilities.

19 PRIOR CHARGES

- 19.1 If there subsists any prior Security Interest against the Charged Property and either, any step is taken to exercise any power or remedy conferred by such Security Interest or the Lender exercises any power of sale pursuant to this Deed, the Lender may redeem such prior Security Interest or procure the transfer of such Security Interest to itself and may settle and pass the accounts of the person entitled to such Security Interest. Any accounts so settled and passed are conclusive and binding on the Company.
- 19.2 The Company shall reimburse the Lender for any Costs incurred by the Lender in exercise of its rights under this clause.

20 OPENING A NEW ACCOUNT

- 20.1 If the Lender receives notice of any subsequent Security Interest affecting the Charged Property, the Lender may open a new account for the Company in its books.
- 20.2 If the Lender does not open such new account, then, unless the Lender gives express written notice to the contrary to the Company, all payments by or on behalf of the Company to the Lender will be treated as from the time of receipt of notice of such subsequent Security Interest by the Lender as having been credited to a new account of the Company and not as having been applied in reduction of the amount of the Secured Liabilities as at the time when the notice was received.

21 SUSPENSE ACCOUNT

The Lender may, in its discretion credit to any suspense or impersonal account and hold in such account, on such terms as the Lender may in its discretion think fit, all monies received, recovered or realised by the Lender pursuant to this Deed (including, without limitation, the proceeds of any conversion of currency) pending the application from time to time (as the Lender may effect in its discretion) of such monies and accrued interest, if any, in or towards satisfaction of the Secured Liabilities.

22 ASSIGNMENT

Neither the Lender nor the Company may assign, transfer, novate or dispose of any of or any interest in, its rights and obligations under this Deed, save as provided in the Facilities Agreement.

23 WAIVERS

No failure or delay or other relaxation or indulgence on the part of the Lender to exercise any power, right or remedy shall operate as a waiver thereof nor shall any single or partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

24 SEVERABILITY

Each of the provisions of this Deed is distinct and severable from the others and if at any time one or more of such provisions is or becomes illegal, invalid or

unenforceable the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

25 NOTICES

25.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

25.2 Addresses

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

- (a) in the case of the Company, that identified with its name below;
- (b) in the case of the Borrower, that identified with its name below; and
- (c) in the case of the Lender, that identified with its name below,

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

25.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 25.2 (*Addresses*), if addressed to that department or officer.

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

26 GOVERNING LAW

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

27 ENFORCEMENT

27.1 Jurisdiction of English courts

- (a) courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) or any non-contractual obligation arising out of or in connection with this Deed (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This clause is for the benefit of the Secured Parties only. As a result, the Secured Parties shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

28 COUNTERPARTS

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

29 THIRD PARTY RIGHTS

Unless expressly provided in this Deed, no term of this Deed is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it.

This Deed has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE

The Shares

CORBY LAND & DEVELOPMENT LIMITED (Company Number: 06507909)

Number of Shares	Share type
1	A Ordinary

EXECUTION PAGE

The Company

EXECUTED and DELIVERED as a DEED
for and on behalf of GREATLINE DEVELOPMENTS
LIMITED in the presence of:

)
)
)

.....
Director

Witness

Signature

: [Signature]

Name

: Dawn Graves

Occupation

: PA

Address

: [Address]

Notice Details:

Address:

Fax No:

Telephone No:

Attention:

The Borrower

EXECUTED and DELIVERED as a DEED
for and on behalf of CORBY LAND & DEVELOPMENT
LIMITED in the presence of:

)
)
)

Witness

Signature

:

.....
Director

Name

:

Occupation

:

Address

:

Notice Details:

Address:

EXECUTION PAGE

The Company

EXECUTED and DELIVERED as a DEED)
for and on behalf of GREATLINE DEVELOPMENTS)
LIMITED in the presence of:)

Director

Witness

Signature :
Name :
Occupation :
Address :

Notice Details:

Address:

Fax No:

Telephone No:

Attention:

The Borrower

EXECUTED and DELIVERED as a DEED)
for and on behalf of CORBY LAND & DEVELOPMENT)
LIMITED in the presence of:)

Director

Witness

Signature :
Name :
Occupation : A C
Address :

A G

~~Avonlea Records~~
~~GROUP TUBES~~

Notice Details:

Address:

Fax No:

Telephone No:

Attention:

The Lender

**EXECUTED and DELIVERED as a DEED)
for and on behalf of THE ROYAL BANK)
OF SCOTLAND PLC acting as agent for)
NATIONAL WESTMINSTER BANK PLC)
by its duly authorised signatory:)**

.....
Authorised signatory

In the presence of

..... Witness

..... Full Name

..... Address

Notice Details:

Address: 6th Floor
St Philips Place
Birmingham B3 2RB

Fax No: 0121 262 7480

Telephone No:

Attention: Richard Woodhouse

