



Registration of a Charge

Company name: **JASON VERDI KITCHEN DESIGNS LIMITED**

Company number: **04850628**



X4MELUZN

Received for Electronic Filing: **16/12/2015**

Details of Charge

Date of creation: **07/12/2015**

Charge code: **0485 0628 0001**

Persons entitled: **ASSET ADVANTAGE LIMITED**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ASSET ADVANTAGE LTD**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4850628

Charge code: 0485 0628 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th December 2015 and created by JASON VERDI KITCHEN DESIGNS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th December 2015 .

Given at Companies House, Cardiff on 17th December 2015

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**

DEBENTURE

between

JASON VERDI KITCHEN DESIGNS
LIMITED

and

ASSET ADVANTAGE LIMITED

December 7th 2015

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SCHEDULE

The Property

This **DEBENTURE** is dated *7th December*

2015

and is made between

- (1) JASON VERDI KITCHEN DESIGNS LTD incorporated in England and Wales (company number 04850628) and having its registered office at The Station House, 15 Station Road, St. Ives, Cambridgeshire, PE27 5BH (the "**Company**")

and

- (2) ASSET ADVANTAGE LIMITED incorporated in England (company number 04202944) of 3rd Floor, Matrix House, Basing View, Basingstoke, Hampshire RG21 4DZ ("**Asset Advantage**").

WHEREAS

Asset Advantage has entered into the Finance Agreement with the Company and in consideration of the facilities being provided thereunder, the Company has agreed to grant this Debenture in favour of Asset Advantage.

NOW THIS DEED WITNESSES AS FOLLOWS:-

1 Definitions and Interpretation

In this Debenture:

- 1.1 The following words and expressions shall bear the following meanings:-

"**Administrator**" means an administrator of the Company appointed pursuant to Clause 8.1, which expression shall, where necessary include any person substituted as administrator of the Company;

"**Asset Advantage Group**" means Asset Advantage, any subsidiary of it, any holding company of it and any subsidiary of its holding company;

"**Business Day**" means any day (excluding Saturdays, Sundays and bank holidays) on which banks are generally open in the City of London for the transaction of normal banking business;

"**Charged Assets**" means the whole of the property, assets and rights (including uncalled capital) which are or may from time to time while this Debenture is in force be comprised in the property and undertaking of the Company;

"**Companies Act**" means the Companies Act 2006, as amended from time to time;

"**Encumbrance**" means any mortgage, standard security, charge (whether fixed or floating), assignment, assignation, pledge, encumbrance, hypothecation, security interest, title retention or other preferential right having the effect of creating security;

"**Finance Agreement**" means the loan agreement between Asset Advantage and the Company dated _____ as the same may be amended, novated or varied from time to time;

"**Financial Collateral**" has the meaning given to that expression in the Financial Collateral Regulations;

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003 No. 3226);

"Fixed Charge Assets" means any of the Charged Assets which are comprised within a mortgage or fixed charge created by Clauses 3.1.1 or 3.1.2 or any security created pursuant to Clause 3.9;

"Permitted Encumbrances" means:

- (a) a fixed security in favour of Asset Advantage;
- (b) any Encumbrance arising by operation of law and in the ordinary and usual course of trading of the Company; and
- (c) any Encumbrance consented to in writing by Asset Advantage;

"Receivables" means all sums of money whether present or future, receivable by the Company which consist of or are derived from any Fixed Charge Assets;

"Receiver" means an administrative receiver, receiver and manager or other receiver appointed pursuant to this Debenture in respect of the Company or over all or any of the Charged Assets;

"Secured Liabilities" means all sums due and to become due by the Company under the Finance Agreement and all other present and future obligations and liabilities (including without limitation all sums of principal, interest and expenses) whether actual or contingent and whether owed solely or jointly and whether as principal debtor, guarantor, cautioner, surety, indemnifier or otherwise (or the equivalent in any other relevant jurisdiction) of the Company to Asset Advantage; and in whatever manner and on any account;

"Security Financial Collateral Arrangements" shall have the meaning given to that expression in the Financial Collateral Regulations;

"subsidiary" and **"holding company"** shall have the meanings given to them in Section 1159 of the Companies Act and "subsidiaries" shall mean all or any of them, as appropriate;

- 1.2 without prejudice to any requirement to procure consent to the same the expressions "Company" and "Asset Advantage" include their successors, assignees and transferees;
- 1.3 without prejudice to any requirement to procure consent to the same, any reference to any document of any kind is to that document as amended, varied, supplemented, novated, restated or substituted from time to time; and
- 1.4 a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.

2 Undertaking to Pay Secured Liabilities

The Company:

- 2.1 undertakes to pay and discharge the Secured Liabilities to Asset Advantage or as Asset Advantage may direct:

- 2.1.1 on the due date for payment or performance of the Secured Liabilities concerned as provided by the terms of the Finance Agreement or any other agreement or document constituting the same; and
- 2.1.2 in the absence of any express provision for payment and performance of the Secured Liabilities concerned, on written demand by Asset Advantage;
- 2.2 agrees that if it shall fail to pay any part of the Secured Liabilities when due then such amount shall bear interest (after as well as before judgement and payable on demand) at the rate of 1% per month from the due date until paid in full;
- 2.3 agrees with Asset Advantage that a certificate signed by or on behalf of Asset Advantage as to the amount, calculation or nature of the Secured Liabilities or any part of them will, in the absence of manifest error, be conclusive and binding on the Company.

3 Charging Provisions

- 3.1 The Company as security for the due and punctual payment and performance of the Secured Liabilities and with full title guarantee hereby charges to Asset Advantage:
 - 3.1.1 by way of legal mortgage all freehold and leasehold property described in the Schedule (if any);
 - 3.1.2 by way of fixed charge:
 - 3.1.2.1 all estates or interests in any freehold or leasehold property belonging to the Company now or at any time after the date of this Debenture (other than any property charged in terms of Clause 3.1.1) together with all buildings and fixtures (including trade and tenant's fixtures) which are at any time on or attached to the property;
 - 3.1.2.2 all present and future interests of the Company in the proceeds of sale of any land and all present and future licences of the Company to enter upon or use land;
 - 3.1.2.3 all rents receivable from any lease granted of any freehold or leasehold property by the Company;
 - 3.1.2.4 all plant, machinery and other equipment legally and beneficially owned by the Company, whether now or in the future;
 - 3.1.2.5 all stocks, shares and other securities owned (at law or in equity) by the Company now or in the future and all rights, money or property of a capital nature at any time accruing or offered in relation to them or derived from them;
 - 3.1.2.6 all rights, money or property of an income nature at any time accruing or payable in relation to the stocks, shares and other securities charged by Clause 3.1.2.5, whether by way of dividend, distribution, interest or otherwise;
 - 3.1.2.7 all rights and interest in and claims under all insurance or assurance contracts or policies now or in the future

held by or for the benefit of the Company (including all money payable under them);

- 3.1.2.8 all patents, registered and unregistered trade and service marks, rights in passing off, copyright, registered and unregistered rights in designs and database rights and any other intellectual property rights, in each case now or in the future held by the Company (whether alone or jointly with others) anywhere in the world and including any extensions and renewals of, and any application for, such rights;
- 3.1.2.9 all the Company's rights now or in the future in relation to trade secrets, confidential information and know how;
- 3.1.2.10 all present and future book debts of the Company and other monies due, owing, payable or incurred to the Company now or in the future;
- 3.1.2.11 all warranties, instruments, guarantees, charges, pledges, and other security and all other rights and remedies available to the Company in respect of any Fixed Charge Assets;
- 3.1.2.12 all present and future bank accounts, cash at bank and credit balances of the Company (excluding those arising on fluctuating accounts) with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest); and
- 3.1.2.13 the benefit of any interest rate or currency hedging instruments or other derivatives now or in the future entered into by the Company;
- 3.1.3 by way of floating charge all the Charged Assets not effectively and enforceably otherwise mortgaged or charged by this Clause 3 (including, without limitation, any heritable or leasehold property of the Company in Scotland and any Charged Assets in Scotland falling within any of the types mentioned in Clause 3.1.2).
- 3.2 Any mortgage, fixed charge or other fixed security created by the Company in favour of Asset Advantage shall have priority over the floating charge created by this Debenture, except insofar as Asset Advantage shall declare otherwise whether at or after the time of creation of such fixed security.
- 3.3 Asset Advantage may at any time, by notice to the Company, immediately convert the floating charge created under Clause 3.1.3 into a fixed charge over any Charged Assets specified in that notice and the floating charge will, without notice from Asset Advantage, automatically be converted with immediate effect into a fixed charge:
 - 3.3.1 in respect of any Charged Assets which become subject to any step by any third party to take a fixed charge;
 - 3.3.2 in respect of any Charged Assets which become subject to any step by any third party to levy any distress, attachment, execution or other legal process against them;

- 3.3.3 in respect of all Charged Assets charged under Clause 3.1.3 if and when the Company ceases to carry on business or to be a going concern; and
 - 3.3.4 in respect of all the Charged Assets on the making of an order for the compulsory winding-up of the Company, on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Company or the taking of any steps (including, without limitation, the making of an application or the giving of any notice) by the Company or any other person for the appointment of an administrator in respect of the Company.
- 3.4 Clause 3.3 will not apply:
- 3.4.1 to any Charged Assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to Section 72 of the Insolvency Act 1986 by reason of such automatic conversion; and/or
 - 3.4.2 solely by reason of the Company obtaining a moratorium or anything done with a view to obtaining a moratorium under Schedule A1 of the Insolvency Act 2000.
- 3.5 The Company applies to the Chief Land Registrar for a restriction to be entered on the Register of Title of all present and future registered freehold and leasehold property of the Company in the following terms:
- "No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge] is to be registered without a written consent signed by the proprietor for the time being of the charge dated in favour of Asset Advantage Limited referred to in the charges register".
- 3.6 Any obligation on the part of Asset Advantage to make further advances to the Company is deemed to be incorporated in this Debenture and the Company applies to the Chief Land Registrar for a note of such obligation to be entered on the Register of Title of all present and future registered freehold and leasehold property of the Company.
- 3.7 The Company will, immediately upon execution of this Debenture, deliver to Asset Advantage (or as it shall direct) all certificates and other documents of title to the stocks, shares and other securities referred to in Clause 3.1.2.5 together with stamped stock transfer forms in respect of the same executed in blank (except for the number and class of shares and the name of the transferor) and left undated. Asset Advantage may at any time after the date of this Debenture complete the instruments of transfer on behalf of the Company in favour of itself or such other person as it shall select.
- 3.8 The Company (at its own cost) will on demand in writing by Asset Advantage execute and deliver in such form as Asset Advantage may reasonably require any security over any of the assets of the Company; and the Company will execute such other deeds, documents, agreements, instruments and will otherwise do and concur in all such other acts or things as Asset Advantage may deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by this Debenture or for facilitating the realisation of the Charged Assets or the exercise by Asset Advantage of any rights under this Debenture.
- 3.9 The Company shall:
- 3.9.1 get in and realise all Receivables in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment

into an account in accordance with Clause 3.9.2) upon trust for Asset Advantage;

3.9.2 pay into its account with Asset Advantage (or as Asset Advantage may direct) all money which it receives in respect of any Receivables; and

3.9.3 if called upon to do so by Asset Advantage execute a legal assignment of all or any of the Receivables to Asset Advantage.

3.10 If Asset Advantage releases, waives, or postpones its rights in respect of any Receivables to enable the Company to factor or discount them to any third party (the "factor"), the charges created by this Debenture shall in all other respects remain in full force and effect. All amounts becoming due to the Company from the factor and any Receivables re-assigned, or due to be re-assigned to the Company, shall be subject to the relevant fixed charge created by this Debenture, subject only to any defences or rights of set-off which the factor may have against the Company.

3.11 The floating charge granted by the Company pursuant to Clause 3.1.3 is intended to be a qualifying floating charge as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986.

4 Ranking

The Company undertakes to Asset Advantage that except as permitted by the terms of Clause 4.1 no Encumbrance shall rank in priority to or equally with or postponed to the Encumbrance created by this Debenture.

5 Negative Pledge

The Company undertakes to Asset Advantage that it will not:

5.1 except for a Permitted Encumbrance create or allow to subsist any Encumbrance. In the event that the Company creates any Encumbrance in breach of this prohibition, this Debenture shall rank in priority to that Encumbrance;

5.2 dispose of all or any of the Charged Assets or its interest in them otherwise than in the ordinary course of business.

6 Enforcement

6.1 The security constituted by this Debenture shall become enforceable and Asset Advantage may exercise all the powers conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Debenture), all the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986 and all or any rights conferred by this Debenture without further notice to the Company upon and at any time after the occurrence of any of the following events:

6.1.1 if the Company fails to pay any or all of the Secured Liabilities in accordance with Clause 2;

6.1.2 any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Company or by any other person to appoint an administrator in respect of the Company;

6.1.3 any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Company or by any other person to wind up or dissolve the Company or to appoint a liquidator (whether provisional, interim or otherwise), trustee, receiver,

administrative receiver or similar officer to the Company or any part of its undertaking or assets;

- 6.1.4 the making of a request by the Company for the appointment of an administrator.
- 6.2 If any Charged Assets are Financial Collateral (which includes but is not limited to funds held in a bank account and shares) and are subject to a Security Financial Collateral Arrangement created by this Debenture:
 - 6.2.1 Asset Advantage shall have the right after this Debenture becomes enforceable, to apply all or any part of those Charged Assets in or towards the payment or discharge of the Secured Liabilities;
 - 6.2.2 the value of Charged Assets applied under this Clause 6.2 will be the value of those Charged Assets (as listed on any recognised market index, or determined by such other method as Asset Advantage may select) when Asset Advantage's right to apply them is used;
 - 6.2.3 the Company agrees that any Charged Assets which are Financial Collateral may at Asset Advantage's option be held or designated so as to be under the control of Asset Advantage for all purposes of the Financial Collateral Regulations.
- 6.3 Section 103 of the Law of Property Act 1925 (Regulation of exercise of power of sale) will not apply to this Debenture but the statutory power of sale will, as between Asset Advantage and a purchaser from Asset Advantage, arise on and be exercisable at any time after this Debenture shall become enforceable.
- 6.4 Section 93 of the Law of Property Act 1925 (Restriction on consolidation of mortgages) will not apply to this Debenture.
- 6.5 Asset Advantage shall not be liable to account to the Company as mortgagee in possession in respect of all or any of the Charged Assets and shall not be liable to the Company for any loss or damage arising from the exercise by Asset Advantage or any Receiver of all or any of the powers conferred by this Debenture or the Law of Property Act 1925.
- 6.6 At any time after this Debenture becomes enforceable, Asset Advantage may redeem any prior Encumbrance in respect of all or any of the Charged Assets or procure the transfer of them to itself and may settle the accounts of the prior encumbrancer and any accounts so settled will be, in the absence of manifest error, conclusive and binding on the Company. All money paid by Asset Advantage to the encumbrancer in accordance with such accounts shall form part of the Secured Liabilities and shall bear interest at the rate of 1% per month from the date the same are incurred, computed and compounded monthly.

7 Covenants and Further Assurance

- 7.1 The Company shall not without the prior written consent of Asset Advantage:
 - 7.1.1 deal with book or other debts or securities forming part of the Charged Assets otherwise than in the ordinary course of getting in and realising the same, which shall not include or extend to selling or assigning or in any other way factoring or discounting any of them;
 - 7.1.2 pull down or remove the whole or any part of any buildings forming part of the Charged Assets or sever or unfix or remove any of the fixtures attaching to them nor (except for the purposes of effecting necessary repairs or of replacing any of them with new or improved models or

substitutes) remove any of the plant and machinery belonging to or used by the Company and the Company shall whenever any of that plant and machinery is destroyed or damaged or deteriorates, immediately reinstate the same;

- 7.1.3 grant or agree to grant any tenancy or licence affecting all or any of the Charged Assets or grant or agree to grant a lease of, or accept a surrender of a lease or tenancy of, all or any part of them;
- 7.1.4 become cautioner, guarantor or surety for any person, firm or company;
- 7.1.5 undertake any obligation to any third party which results in the Company's rights to recover or take payment of any monies due or which may become due to the Company from any one of its debtors being postponed or subordinated to the claims of such third party; or
- 7.1.6 cause or permit to be done anything which may in any way jeopardise or otherwise prejudice the value or marketability of any of the Charged Assets.

7.2 The Company shall:

- 7.2.1 promptly notify Asset Advantage of its acquisition of any freehold, heritable or leasehold property and if required to do so by Asset Advantage, deposit with Asset Advantage during the continuance of this security all charges and documents of title relating to that property;
- 7.2.2 pay any amount to be paid to the Company in respect of any uncalled capital to Asset Advantage who may at any time apply the whole or any part of it in or towards satisfaction of the Secured Liabilities;
- 7.2.3 at all times keep the Charged Assets in good repair;
- 7.2.4 insure the Charged Assets and keep them insured or procure that they are insured or kept insured with a reputable insurance company against loss or damage by fire and such other risks as Asset Advantage from time to time may require, to their full replacement value and produce if required to do so by Asset Advantage all receipts for the current premiums and, failing payment of any premium, Asset Advantage may at the Company's expense effect or renew any such insurance as Asset Advantage shall see fit, debiting the amount of any such insurance to any account in the Company's name with Asset Advantage;
- 7.2.5 notify Asset Advantage immediately in the event of any creditor executing diligence against the Company (whether effectual or not) or any distress or execution being levied or enforced against the Company or any third party debt order or freezing order being made and served on the Company;
- 7.2.6 notify Asset Advantage immediately if any steps (including, without limitation, the making of an application or the giving of any notice) are taken by any person (including, without limitation, the Company) in relation to the administration, receivership, winding-up or dissolution of the Company; and
- 7.2.7 maintain its centre of main interests (COMI) in the United Kingdom for the purposes of the Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings.

8 Appointment of Receiver or Administrator

8.1 At any time after the security constituted by this Debenture has become enforceable Asset Advantage shall be and is entitled to appoint any one or more persons as:

8.1.1 a Receiver of all or any of the Charged Assets; and/or

8.1.2 an Administrator of the Company;

in each case in accordance with and to the extent permitted by applicable laws. Asset Advantage may not appoint a Receiver solely as a result of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under Schedule A1 of the Insolvency Act 2000 except with the leave of the court.

8.2 Where more than one Receiver is appointed they will have power to act separately (unless the appointment of Asset Advantage specifies to the contrary).

8.3 Any appointment over part only of the Charged Assets will not preclude Asset Advantage from making any subsequent appointment of a Receiver over any part of the Charged Assets over which an appointment has not previously been made by it.

8.4 Asset Advantage may from time to time determine the remuneration of the Receiver and may (subject to Section 45 of the Insolvency Act 1986) remove the Receiver from all or any part of the Charged Assets of which he is the Receiver and at any time after any Receiver has vacated office or ceased to act, appoint a further Receiver over all or any part of those Charged Assets.

8.5 The Receiver will be the agent of the Company (which will be solely liable for his acts, defaults and remuneration) and will have and be entitled to exercise in relation to the Company all the powers set out in Schedule 1 to the Insolvency Act 1986 and all the powers conferred from time to time on receivers by statute and in particular by way of addition to but without prejudice to those powers (and those of Asset Advantage) the Receiver will have power:

8.5.1 to sell, let or lease or concur in selling, letting or leasing and to vary the terms, determine, surrender or accept surrenders of leases or tenancies of, grant options and licences over all or any part of the Charged Assets in such manner and generally on such terms as he shall think fit in his absolute and unfettered discretion and so that any such sale may be made for cash or for shares or securities of another company or other valuable consideration;

8.5.2 to sever any fixtures (including trade and tenant's fixtures) from the property of which they form part;

8.5.3 to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Assets, including, without limitation, all voting and other rights attaching to stocks, shares and other securities owned by the Company;

8.5.4 to make and effect all repairs and improvements;

8.5.5 to redeem any Encumbrance having priority to the Encumbrances granted in favour of Asset Advantage or procure the transfer of such prior Encumbrance to the Receiver and the cost involved in doing so will be deemed to be an expense properly incurred by the Receiver;

8.5.6 to promote the formation of a subsidiary or subsidiaries of the Company, including, without limitation, any such company formed for

the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Company;

- 8.5.7 to make any arrangement or compromise which Asset Advantage or the Receiver may think fit;
 - 8.5.8 to make and effect all repairs, renewals, improvements, and insurances;
 - 8.5.9 to appoint managers, officers and agents for any of the purposes referred to in this Clause 7 at such salaries as the Receiver may determine;
 - 8.5.10 to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Assets.
- 8.6 No purchaser or other person dealing with Asset Advantage, any Receiver or any agent or delegate shall be obliged or concerned to enquire whether the right of Asset Advantage or any Receiver to exercise any of the powers conferred by or referred to in this Debenture has arisen or become exercisable, whether any of the Secured Liabilities remain outstanding or be concerned with notice to the contrary or whether an event has occurred to authorise Asset Advantage or any Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power.

9 Asset Advantage's Right to Perform Company's Obligations

- 9.1 If the Company fails to perform any obligations imposed upon it by this Debenture Asset Advantage may but is not obliged to take such steps as in its opinion may be required to remedy such failure including making any payment and for that purpose Asset Advantage and its agents may enter upon any of the Charged Assets without being deemed to have entered into possession of the Charged Assets.
- 9.2 The Company shall indemnify Asset Advantage from and against any sums expended by Asset Advantage pursuant to Clause 9.1.
- 9.3 All amounts payable under Clause 9.2 shall bear interest at the rate of 1% per month from the date the same are incurred, computed and compounded monthly.

10 Information Disclosure

The Company authorises Asset Advantage to disclose information about the Company, this Debenture, the Charged Assets and the Secured Liabilities to:

- 10.1 any party to whom Asset Advantage has assigned or transferred or intends to assign or transfer its rights under this Debenture;
- 10.2 any other person if required by law to do so;
- 10.3 any member of the Asset Advantage Group; and
- 10.4 Asset Advantage's auditors, advisors, applicable regulatory authorities, rating agencies and investors.

11 Preservation of Rights

This Debenture, the security constituted by this Debenture and the rights, powers, remedies and discretions conferred by this Debenture shall not be discharged, impaired or otherwise affected by:

- 11.1 any legal limitation, disability, incapacity or other similar circumstance relating to the Company; or
- 11.2 any act or omission or other circumstances which but for this provision might operate to release the Company from its obligations in respect of the Secured Liabilities, in whole or in part.

12 Rights Under this Debenture

This Debenture, the security constituted by this Debenture and the rights, powers, remedies and discretions conferred by this Debenture:

- 12.1 shall be in addition to and independent of and shall not in any way prejudice or be prejudiced by any collateral or other security, right, remedy or power whether at law or otherwise which Asset Advantage may now or at any time after the date of this Debenture have or hold for all or any part of the Secured Liabilities or by any such collateral or other security, right, remedy or power becoming wholly or in part void or voidable or unenforceable or by the failure to perfect or enforce any such collateral or other security, right, remedy or power; and
- 12.2 may be enforced or exercised without Asset Advantage first having taken action or obtained decree against the Company, filed any claim to rank in the winding up or liquidation of the Company or having enforced or sought to enforce any other collateral, security, right, remedy or power whether at law or otherwise.

13 Continuing Security

The security constituted by this Debenture shall be a continuing security and shall remain in full force and effect until total and irrevocable satisfaction of all the Secured Liabilities.

14 Notice of Subsequent Encumbrances

If Asset Advantage receives or is deemed to have received notice of any subsequent Encumbrance or other interest affecting any part of the Charged Assets and/or proceeds of sale or realisation of the Charged Assets Asset Advantage may open a new account or accounts for the Company in its books and if Asset Advantage does not do so then, unless Asset Advantage gives express written notice to the contrary to the Company as from the time of receipt or deemed receipt of such notice by Asset Advantage all payments made by the Company to Asset Advantage shall notwithstanding any appropriation by the Company to the contrary be treated as having been credited to a new account of the Company and not as having been applied in reduction of the Secured Liabilities.

15 Suspense Accounts

All monies received by Asset Advantage under this Debenture may at the discretion of Asset Advantage be credited to a suspense account and may be held in such account for so long as Asset Advantage shall think fit without any obligation to apply all or any part of such monies in or towards payment or performance of the Secured Liabilities.

16 Discharge and Avoidance of Payments

Any settlement or discharge between the Company and Asset Advantage shall be conditional upon no security or payment granted or made to Asset Advantage by the Company or any other person being avoided or reduced by virtue of any provision or enactment relating to

administration, bankruptcy, insolvency or liquidation for the time being in force and accordingly (but without prejudice to any other rights of Asset Advantage) Asset Advantage shall be entitled to recover from the Company the value or amount of such security or payment from the Company or to enforce this Debenture to the full extent of the Secured Liabilities as if such settlement or discharge had not occurred.

17 Remedies, Waivers and Consents

17.1 No failure or delay by Asset Advantage in exercising any right, remedy or power under this Debenture shall operate as a waiver and no single or partial exercise shall prevent further exercise of any right, remedy or power.

17.2 Any waiver and any consent by Asset Advantage under this Debenture must be in writing to be effective and may be given subject to such conditions as Asset Advantage thinks fit.

18 Partial Invalidity

18.1 Each provision of this Debenture will be valid and enforceable to the fullest extent permitted by law.

18.2 If any provision of this Debenture shall to any extent be invalid or unenforceable the validity and enforceability of the remaining provisions of this Debenture will not in any way be affected. Any invalid and unenforceable provision shall be modified to the extent necessary to make such provision valid and enforceable provided Asset Advantage consents in writing to such modification.

19 Power of Attorney

19.1 The Company irrevocably appoints Asset Advantage and also as a separate appointment the Administrator and/or any Receiver severally its attorney and attorneys with full power to delegate for the Company and on its behalf, in its name and as its act and deed or otherwise to execute and deliver any document or any alteration, addition or deletion to any document which such attorney requires or deems proper in relation to this Debenture or any perfection, protection or enforcement action in connection therewith.

19.2 The Company hereby ratifies and confirms and agrees to ratify and confirm immediately upon request by Asset Advantage or the Administrator the actions of an attorney appointed under Clause 19.1.

20 Costs and Expenses

20.1 The Company shall pay, on a full indemnity basis, all costs, charges, expenses and liabilities incurred by Asset Advantage or to be incurred by Asset Advantage or any attorney, manager, agent or other person appointed by Asset Advantage in connection with the preparation, negotiation, execution, registration, perfection, modification, amendment, enforcement and or attempted enforcement, exercise or purported exercise of rights under assignment, release or discharge of this Debenture or actions, proceedings or claims in respect of this Debenture or the Charged Assets which costs, charges and expenses shall form part of the Secured Liabilities.

20.2 All amounts payable under Clause 20.1 shall bear interest at the rate of 1% per month from the date the same are incurred, computed and compounded monthly.

21 Rights to Assign

21.1 Asset Advantage may assign all or any of its rights under this Debenture.

- 21.2 The Company may not assign any of its rights or transfer any of its rights or obligations under this Debenture without the prior written consent of Asset Advantage.

22 Communications

Each notice, consent and other communication in respect of this Debenture:

- 22.1 will be in writing (which includes by fax);
- 22.2 will be sent to the address or fax number most recently designated for this purpose by the recipient;
- 22.3 given to the Company will be effective when left at, or two Business Days after it is posted to, the relevant address or, in the case of a fax, on receipt by Asset Advantage of a fax confirmation sheet; and
- 22.4 given to Asset Advantage will be effective only on actual receipt by the Business Lending Services Department of Asset Advantage or such other department as may be notified to the Company from time to time.

23 Counterparts

This Debenture 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 Debenture.

24 Governing Law and Submission to Jurisdiction

- 24.1 The governing law of this Debenture is the law of England.
- 24.2 The Company irrevocably:
 - 24.2.1 submits to the jurisdiction of the Courts of England; and
 - 24.2.2 agrees that nothing in Clause 24.2.1 prevents Asset Advantage or Administrator or Receiver taking proceedings in any other jurisdiction nor shall the taking of proceedings in any jurisdiction preclude Asset Advantage or Administrator or Receiver taking proceedings in any other jurisdiction.

IN WITNESS WHEREOF this Debenture has been duly executed and delivered as a Deed on the date first above written.

**SCHEDULE
PROPERTY**

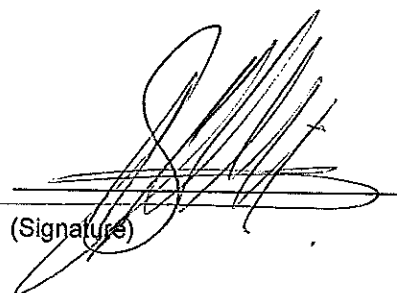
Address	Title Number	Freehold/Leasehold

This is an important document. You acknowledge you have been given sufficient opportunity to take professional advice with respect to the actual and potential liability you shall incur by signing this Debenture.

SIGNED as a Deed by JASON VERDI
KITCHEN DESIGNS LTD

acting by:

JASON VERDI Director
(Print Full Name)

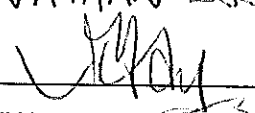
 Director
(Signature)

in the presence of:

JD B Witness
JONATHAN BECK Full Name
2 CROSSLAND CLOSE, UDDY Address
MONMOUTHSHIRE NP26 3FE

SIGNED for and on behalf of
ASSET ADVANTAGE LIMITED

by

JONATHAN BECK
 Director
(Print Full Name)

in the presence of:

C. Paine Witness
C. Paine Full Name
Third Floor, Matrix House Address
Basing View, Basingstoke
Hampshire RG21 4DZ