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

MR01

Particulars of a charge

IRIS Laserform

5-23882/13

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

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

✓ **What this form is for**
You may use this form to register a charge created or evidenced by an instrument

✗ **What this form is NOT for**
You may not use this form to register a charge where there is no instrument Use f

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

This form **must be delivered to the Registrar for registra 21 days** beginning with the day after the date of creation of delivered outside of the 21 days it will be rejected unless it court order extending the time for delivery

☑ You **must** enclose a certified copy of the instrument with th scanned and placed on the public record

FRIDAY

A2MN5KNN
A21 06/12/2013 #299
COMPANIES HOUSE

1 Company details

For official use 4

Company number	0 5 1 1 9 3 3 7
Company name in full	BLENHEIM BEDROOMS LIMITED ("the Company")

→ **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	d2 d5 m1 m1 y2 y0 y1 y3

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	CLOSE BROTHERS LIMITED ("the Lender")
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

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

Not applicable

5 Fixed charge or fixed security

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

[✓] **Yes**

☐ **No**

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ **Yes** Continue

[✓] **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ **Yes**

7 Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

[✓] **Yes**

☐ **No**

8 Trustee statement ❶

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

☐

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

9 Signature

Please sign the form here

Signature

Signature

X DWF LLP X

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 KAREN MCLAUGHLIN

Company name DWF LLP

Address 1 Scott Place

2 Hardman Street

Post town Manchester

County/Region

Postcode M 3 3 A A

Country

DX DX 14313 Manchester

Telephone 0161 603 5000

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

DX

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5119337

Charge code: 0511 9337 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th November 2013 and created by BLENHEIM BEDROOMS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th December 2013.

Given at Companies House, Cardiff on 11th December 2013

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

DATED 25 November 2013

Certified to be a true copy of the original Chattel Mortgage
DWF LLP
Scott Place
2 Hardman Street
Manchester
M3 3AA
Dated 29 November 2013
Signed: DWF LLP

BLENHEIM BEDROOMS LIMITED

and

CLOSE BROTHERS LIMITED

CHATTEL MORTGAGE

DWF LLP
Scott Place
2 Hardman Street
Manchester
M3 3AA
LNS/2006527/26/7023570-1

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THIS CHATTEL MORTGAGE is dated 25 NOVEMBER 2013 and made between

(1) **BLENHEIM BEDROOMS LIMITED** (company number 05119337) whose registered office is at 4 South Road, Chorleywood, Hertfordshire WD3 5AR (the "**Chargor**"), and

(2) **CLOSE BROTHERS LIMITED** (company number 00195626) of 10 Crown Place, London EC2A 4FT (the "**Chargee**")

BACKGROUND:

(A) By a loan agreement dated on or about the date of this Deed and made between (1) the Chargor as borrower, and (2) the Chargee as lender (the "**Facility Agreement**"), the Chargee has agreed, upon and subject to the terms of the Facility Agreement, to make available to the **Chargor** a loan facility of at least £150,000 (the "**Facility**")

(B) It is a condition precedent to the availability of the Facility that the Chargor shall have executed and delivered this Deed to the Chargee

IT IS AGREED as follows

1 DEFINITIONS AND CONSTRUCTION

1 1 Definitions

In this Deed

"Business Day"	means a day other than a Saturday or Sunday when financial institutions in London are generally open for banking business,
"Delegate"	means any delegate or sub-delegate appointed pursuant to clause 10 2,
"Equipment"	means the plant, machinery, equipment, vehicles and other assets described in the Schedule to this Deed (and, where the context permits, any item of the foregoing) together with all replacements, renewals and component parts thereof and all additions and accessories thereto which form an integral part thereof,
"Event of Default"	means any of the events and circumstances set out in clause 8 1,
"Finance Documents"	means the Facility Agreement, this Deed and any other document designated as such by the Chargee and the Chargor,
"Insurances"	means any and all contracts or policies of insurance and reinsurance required to be effected and maintained under this Deed,
"Loss"	means any loss, demand, liability, obligation, claim, action, proceeding, penalty, fine, damage, adverse judgement, order or other sanction, fee and out-of-pocket cost and expense (including any fee and out-of-pocket cost and expense of any legal counsel),
"Premises"	means the land or buildings where or at which the Secured Property may be in, on or situate from time to time and any part of such land or buildings,
"Receiver"	means any receiver, manager or other receiver or similar officer appointed by the Chargee in respect of the Secured Property and shall, if allowed by law, include an administrative receiver,

"Secured Obligations" means any and all of the obligations of the Borrower (whether or not for the payment of money, and including any obligation to pay damages for breach of contract) which are or may become payable to the Chargee or any of the Chargee's subsidiaries (including but not limited to Close Asset Finance Limited (company number 02053453)) by the Chargor on any current or other account or otherwise in any manner whatsoever including pursuant to any Finance Document and/or all other obligations hereby secured,

"Secured Property" means the Equipment and all of the right, title, interest and benefit of the Chargor (present and future, actual and contingent) in and to

(a) any warranties given by any manufacturer, supplier or other person in relation to the Equipment, and

(b) any agreement for the repair, overhaul, modification, maintenance or servicing of or to the Equipment, and

(c) the Insurances,

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

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

1 2 **Construction**

In this Deed

(a) any reference to

(i) **"assets"** includes present and future properties, revenues and rights of every description,

(ii) a Finance Document or any other agreement or instrument is a reference to that Finance Document or that other agreement or instrument as amended or novated,

(iii) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent,

(iv) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing,

(v) the **"Chargor"** or the **"Chargee"** shall, where the context permits, include such person's successors and permitted assigns and any persons deriving title under such person,

(vi) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,

(vii) a provision of law is a reference to that provision as amended or re-enacted,

(viii) a clause or schedule is a reference to a clause of or schedule to this Deed,

(ix) a time of day is a reference to London time, and

(x) a default which is "**continuing**" is a reference to a default which has not been remedied or waived,

(b) words importing the plural include the singular (and vice versa),

(c) the *ejusdem generis* rule shall not apply and accordingly the interpretation of general words shall not be restricted by being preceded by words including a particular class of acts, matters or things or by being followed by particular examples, and

(d) section, clause and schedule headings are for ease of reference only

2 CHARGE AND ASSIGNMENT

2 1 Covenant to Pay

The Chargor shall discharge the Secured Obligations when due in accordance with its terms or, if they do not specify a time for payment, immediately on demand by the Chargee

2 2 Charge and Assignment

In consideration of the Chargee agreeing to make the Facility available to the Chargor upon the terms and conditions of the Facility Agreement and as a continuing security for the due and punctual performance and discharge of the Secured Obligations, the Chargor, with full title guarantee, hereby charges to the Chargee by way of first fixed charge and assigns to the Chargee absolutely by way of mortgage, the Secured Property

2 3 Performance and Indemnity

Notwithstanding the foregoing, the Chargor shall remain liable to perform all the obligations to be performed by it in respect of the Secured Property and shall discharge fully its obligations thereunder as they become due and the Chargee shall not have any obligation of any kind whatsoever thereunder or be under any liability whatsoever in the event of any failure by the Chargor to perform its obligations thereunder and the Chargor hereby indemnifies and agrees to keep indemnified the Chargee from and against any such liability

2 4 Release and Transfer

(a) At the expiry of the Security Period, the Chargee shall, at the cost of the Chargor, release and transfer to the Chargor, the Secured Property

(b) Notwithstanding any discharge, release or settlement from time to time between the Chargee and the Chargor, if any security, disposition or payment granted or made to the Chargee in respect of the Secured Obligations by the Chargor or any other person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any law or regulation relating to administration, bankruptcy, insolvency, liquidation, winding-up, composition or arrangement or for any other reason, the Chargee shall be entitled thereafter to enforce this Deed as if no such discharge, release or settlement had occurred

3 CONTINUING AND INDEPENDENT SECURITY

3 1 Continuing Security

This Deed and the security hereby created shall remain in full force and effect by way of continuing security notwithstanding the bankruptcy, administration, insolvency or liquidation or any incapacity or change in the constitution or status of the Chargor, or any other person and in particular shall not be, nor be considered as, satisfied by any intermediate discharge or payment on account of any liabilities or any settlement of accounts between the Chargor and the Chargee

3 2 **Independent Security**

This Deed and the security hereby created shall be in addition to and not in substitution for or derogation of any other security (whether given by the Chargor or otherwise) now or from time to time held by the Chargee in respect of or in connection with the Secured Obligations

3 3 **Unrestricted Enforcement**

The Chargee need not before exercising any of the rights, powers or remedies conferred upon it by this Deed or by law

(a) take action or obtain judgment against the Chargor or any other person in any court,

(b) make or file any claim or prove in a bankruptcy, winding-up, administration or liquidation of the Chargor or of any other person, or

(c) enforce or seek to enforce the recovery of the moneys and liabilities hereby secured by any other security

1. No Discharge

Neither the liabilities of the Chargor under this Deed nor the validity or enforceability of this Deed shall be prejudiced, affected or discharged by

(d) the granting of any time or indulgence to the Chargor of any other person,

(e) any variation or modification of the Facility Agreement, any of the Finance Documents or any other documents referred to therein or related thereto,

(f) the invalidity or unenforceability of any obligation or liability of any party under the Facility Agreement, any of the Finance Documents or any other documents referred to therein or related thereto,

(g) any invalidity or irregularity in the execution of the Facility Agreement, any of the Finance Documents or any other documents referred to therein or relating thereto,

(h) any lack of capacity or deficiency in the powers of the Chargor or any other person to enter into or perform any of its obligations under the Facility Agreement or any of the Finance Documents to which it is party or any other documents referred to therein or related thereto or any irregularity in the exercise thereof or any lack of authority by any person purporting to act on behalf of the Chargor or such other person,

(i) the administration, insolvency, bankruptcy or liquidation or any incapacity, disability or limitation or any change in the constitution or status of the Chargor or any other person,

(j) any other Finance Document, Security Interest, guarantee or other security, surety, right or remedy being or becoming held by or available to the Chargee or by any other person or by way of the same being or becoming wholly or partly void, voidable or unenforceable or impaired or by the Chargee at any time releasing, refraining from enforcing varying or in any other way dealing with any of the same or any power, right or remedy the Chargee may now or hereafter have from or against the Chargor or any other person,

(k) any waiver, exercise, omission to exercise, compromise, renewal or release of any rights against the Chargor or any other person or any compromise, arrangement or settlement with any of the same, or

(l) any act, omission, event or circumstance which would or may but for this provision operate to prejudice, affect or discharge this Deed or the liability of the Chargor under this Deed

2. **No Subrogation**

(m) The Chargor shall not exercise any right of subrogation, contribution or any other rights of a surety or enforce any security or other right or claim against the Chargor (whether in respect of its liability under this Deed or otherwise) or any other person who has guaranteed or given any security in respect of the Secured Obligations or claim in the administration, insolvency, bankruptcy or liquidation of the Chargor or any such other person in competition with the Chargee

(n) If the Chargor receives any payment or benefit in breach of this clause 3 3(m), it shall hold the same upon trust for the Chargee as a continuing security for the Secured Obligations

4 **REPRESENTATIONS AND WARRANTIES**

4 1 **Representations and Warranties**

The Chargor represents and warrants to the Chargee that

(a) ***Status*** the Chargor is a company duly incorporated and validly existing and has full power, authority and legal right to own its property and assets and to carry on its business as such business is now being conducted,

(b) ***Power and Authority*** the Chargor has all legal power and authority to enter into this Deed and perform its obligations under this Deed and all action (including any corporate action) required to authorise the execution and delivery of this Deed and the performance of its obligations under this Deed has been duly taken,

(c) ***Legal Validity*** this Deed constitutes the legal, valid and binding obligations of the Chargor enforceable in accordance with its terms,

(d) ***Non-conflict with laws*** the entry into and performance of this Deed and the transactions contemplated by this Deed do not and will not conflict with or result in a breach of

(i) any law, judgment or regulation or any official or judicial order,

(ii) the constitutional documents of the Chargor, or

(iii) any agreement or document to which the Chargor is a party or which is binding upon it or any of its assets or revenues, nor cause any limitation placed on it or the powers of its directors to be exceeded or result in the creation or imposition of any Security Interest on any part of the Secured Property pursuant to the provisions of any such agreement or document,

(e) ***No consents*** no consent of, giving of notice to, or registration with, or taking of any other action in respect of, any governmental authority or agency in any relevant jurisdiction or any shareholders or creditors of the Chargor is required for or in connection with the execution, validity, delivery and admissibility in evidence in any proceedings of this Deed, or the carrying out by the Chargor of any of the transactions contemplated hereby,

(f) ***Litigation*** no litigation, arbitration or administrative proceeding is currently taking place or pending or, to the knowledge of the Chargor, threatened against the Chargor or its assets which would adversely affect its ability to perform its obligations under this Deed and the Finance Documents,

(g) ***Winding Up:*** no corporate action, legal proceeding or other procedure or step has been or is about to be taken in relation to

(i) a suspension of payments, moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Chargor,

(ii) a composition, compromise, assignment or arrangement with any creditor or any member of the Chargor,

(iii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Chargor or any of its assets, or

(iv) the enforcement of any Security Interest over any assets of the Chargor,

(h) ***Pari Passu Ranking*** the obligations of the Chargor under this Deed rank at least *pari passu* with all its other present and future unsecured obligations save for any obligations mandatorily preferred by law and not by contract,

(i) ***No Default*** no Event of Default has occurred and is continuing,

(j) ***Sole and beneficial owner*** the Chargor is and (subject to this Deed) will remain the sole, absolute and beneficial owner of the Equipment,

(k) ***Security Interest*** no Security Interest exists with respect to the Secured Property (other than as created by this Deed), and

(l) ***Third party right*** it has not granted in favour of any other person any interest in or any option or other rights with respect to any of the Secured Property

4 2 **Continuing Representation and Warranty**

The Chargor also represents and warrants to and undertakes with the Chargee that the representations and warranties in clause 4 1 will be true and accurate throughout the Security Period with reference to the facts and circumstances from time to time then existing

5 **TAXES AND OTHER DEDUCTIONS**

5 1 **No Withholding**

All payments to be made by the Chargor or any other person under this Deed shall be made in full in immediately available sterling without any set-off or consideration whatsoever, free and clear of any taxes, deductions or withholdings save as required by law

5 2 **Gross-up**

If at any time the Chargor or any other person is required to make any deduction or withholding in respect of taxes or otherwise from any payment due under this Deed for the account of the Chargee, the sum due from the Chargor in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Chargee receives on the due date for such payment (and retains, free from and clear of any taxes or otherwise) a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made and the Chargor shall indemnify the Chargee against any Loss incurred by it by reason of any failure of the Chargor to make any such deduction or withholding or by reason of any increased payment not being made on the due date for such payment

6 **COSTS, CHARGES AND EXPENSES**

The Chargor shall from time to time on demand pay to or reimburse the Chargee for any Loss suffered or incurred by the Chargee in connection with

(a) the preparation, execution and registration of this Deed and any other documents required in connection herewith,

(b) the exercise of any of its powers under this Deed, in suing for or seeking to recover any sums due under this Deed or otherwise preserving or enforcing its rights under this Deed,

(c) the preservation or attempted preservation of the Secured Property,

(d) the defence of any claim brought against the Chargee in respect of this Deed, or

(e) releasing or re-assigning this Deed upon the expiry of the Security Period

and, until payment of the same in full, any such Loss shall be secured by this Deed

7 **UNDERTAKINGS**

The Chargor hereby undertakes and agrees with the Chargee throughout the Security Period that it will

(a) ***No Security Interest***: not create or attempt or agree to create or permit or suffer to exist any Security Interest over all or any part of the Secured Property,

(b) ***Third party right***: not grant in favour of any other person any interest in or any option or other right in respect of the Secured Property,

(c) ***Ownership of Equipment***: at all times remain the sole, absolute and beneficial owner of the Equipment,

(d) ***No Disposal***: not sell or agree to sell, transfer or assign, any part of the Secured Property or deal with or otherwise dispose of the Equipment,

(e) ***Copies of Notices*** give to the Chargee upon receipt copies of all notices, requests and other documents sent or received with respect to the Secured Property or in connection with any notice affecting the Premises,

(f) ***Information***: give to the Chargee such information regarding the Secured Property as the Chargee may require,

(g) ***Enforcement***: do or permit to be done every act or thing which the Chargee may from time to time require for the purpose of enforcing the rights of the Chargee under this Deed and will allow its name to be used as and when required for that purpose,

(h) ***No Depreciation to Security***: not do or cause, permit or suffer to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value of the Chargee's security under this Deed including ensuring that neither the Secured Property nor the Premises are seized by way of distress or taken under execution and shall promptly provide to the Chargee the original of any order, notice or other matter served upon the Chargor by any third party which may adversely affect the Secured Property and/or the Premises and shall promptly comply with, object to or make representations in respect of any such order, notice or other matter as the Chargee may require,

(i) ***Outgoings***. pay all rent, charges, taxes, fees, duties and outgoings of whatsoever nature in respect of the Premises and/or the Secured Property and in default thereof the Chargee may pay or discharge (without obligation) any such sums which may become due or payable in respect of the Premises and/or the Secured Property and the Chargor shall promptly indemnify the Chargee in relation thereto,

(j) ***Name Plates***: affix to or engrave on the Equipment any label, plate or marking as the Chargee may require and shall not permit or suffer to be removed, damaged, modified or obscured any label, plate or marking which may be affixed to or engraved on the Equipment by any manufacturer, supplier or other person and shall procure that the Chargee and its nominees shall at all reasonable times have access to the Equipment in order to inspect, affix, repair, modify or replace any label, plate or marking as the Chargee requires,

(k) ***Condition of Equipment***: keep the Equipment in a good state of repair and condition and in good working order and replace any part of the Equipment as may be destroyed, damaged or worn out with new parts of similar quality and permit the Chargee and its nominees at all reasonable times to enter upon the Premises and

inspect the Equipment and the Chargor shall carry out such repairs, modifications, servicing and overhaul thereto as the Chargee requires,

(l) ***Insurance***: keep the Equipment comprehensively insured with a reputable insurer at the expense of the Chargor

(i) against loss or damage by fire, theft, flood, storm and accident and such other risks and matters in respect of which the Equipment and/or the Chargor are for the time being required by applicable law or regulation to be insured against and against such other risks as the Chargee may require, in each case, for an amount not less than the full replacement value of the Equipment, and

(ii) against third party claims arising in respect of damage to and loss of property or death or injury to third parties arising directly or indirectly out of the ownership, management, use or operation of the Equipment, in each case, for such amount as the Chargor may from time to time reasonably require

Each policy of insurance maintained by the Chargee in accordance with this Deed shall

(1) be with such insurance company(ies) as the Chargor may approve,

(2) contain an endorsement to the effect that the Equipment covers the Chargee in respect of claims which may be forthcoming thereunder,

(3) provide that all moneys payable thereunder shall be payable to or to the order of the Chargee and that the Chargee will be given 30 days prior written notice of any intention of either the Chargor or the insurance company to cancel the policy or to alter its terms or not renew the policy on the same terms, and

(4) be in terms reasonably satisfactory to the Chargee

The Chargor shall ensure that nothing is done or omitted to be done which is contrary to the terms of any such policy of insurance or which might entitle the insurance company to cancel the policy or reduce or avoid any liability thereunder and, at the Chargee's request, shall forthwith produce each such policy of insurance Any failure by the Chargee to keep the Equipment insured or to produce any policy of insurance or receipt for premium paid as required under or in connection with this Deed shall entitle the Chargee, at the expense of the Chargor, to insure the Equipment as so required The Chargor irrevocably authorises the Chargee to give good discharge to the insurance company for any moneys paid under any such insurance policy,

(m) ***Premium***: duly pay the premiums and other amounts payable in respect of any policy of insurance in connection with the Equipment and, at the Chargee's request, forthwith produce receipts for all premiums paid thereon,

(n) ***Claims and Losses***: forthwith notify the Chargee of the occurrence of any event which may give rise to a claim under any policy of insurance in relation to the Equipment The Chargor shall ensure that any claim is made promptly and in accordance with the terms of such policy and shall not agree any settlement of a claim without the prior written consent of the Chargee. If the Equipment is or becomes a total loss or constructive total loss as a result of being lost, stolen, seized, confiscated, damaged beyond economic repair or otherwise all moneys which may be received or receivable under any relevant insurance policy (whether or not effected pursuant to this Deed) shall be applied in replacing, restoring or reinstating the property destroyed or damaged or in such other manner as the Chargee shall direct Without prejudice to the security created by this Deed in respect of the Insurances, the Chargor shall, on the Chargee's request, assign to the Chargee or to its order the rights, claims and benefits arising under any such policy and shall indemnify the Chargee in respect of any stamp duty payable on such assignment,

(o) ***Access to Premises***: permit the Chargee to enter on the Premises and do all such acts and pay all such costs, charges and expenses as the Chargee may consider necessary to prevent or remedy any breach by the Chargor of its duties, obligations or liabilities under or in connection with this Deed,

(p) ***Compliance with law***: not permit the Secured Property to be used in contravention of any applicable law and shall comply with the requirements of any applicable law relating to or affecting the Secured Property or the user or owner thereof, and

(q) ***Fixtures***: not annex the Equipment to the Premises or any other property if such annexure would or might lead to the Equipment becoming a fixture(s)

8 **ENFORCEMENT**

8 1 **Events of Default**

The security created by this Deed shall become enforceable immediately upon the occurrence of

(a) the Chargor failing to pay or discharge any of the Secured Obligations when due and payable (whether on demand or at scheduled maturity or by acceleration or otherwise),

(b) the Chargor being in breach of any of the obligations binding on the Chargor under this Deed or under any other agreement or instrument between the Chargor and the Chargee and such breach (if capable of remedy) has not been remedied to the satisfaction of the Chargee within 14 days of the Chargee serving notice calling upon the Chargor to do so,

(c) if the Chargor becomes unable to pay its debts as they fall due, the value of the Chargor's assets is less than the amount of its liabilities (taking into account the Chargor's respective contingent and prospective liabilities), the Chargor commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors,

(d) if the Chargor passes any resolution or takes any corporate action or a petition is presented or application made or proceedings are commenced or any action is taken or notice of any such proposed action is given by any person for its winding up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its revenues and assets, and

(e) if a distress, execution, attachment or other legal process is levied or enforced upon or sued out against all or any part of the assets of the Chargor

8 2 The security created by this Deed shall become enforceable, and the powers conferred by Section 101 of the Law of Property Act 1925 as varied and extended by this Deed shall be exercisable, immediately upon the occurrence of an Event of Default and at any time thereafter, the Chargee or its nominee shall be entitled, without prior notice and whether or not it shall have appointed a Receiver, to exercise the power to sell or otherwise dispose of the whole or any part of the Secured Property

8 2 **Power of Sale**

The statutory power of sale, of appointing a Receiver and the other statutory powers conferred on mortgagees by Section 101 of the Law of Property Act 1925 as varied and extended by this Deed shall arise on the date of this Deed

9 APPOINTMENT AND POWERS OF RECEIVER

9 1 Appointment of Receiver

At any time after the security created by this Deed has become enforceable, or if requested by the Chargor, without any notice or further notice, the Chargee may at any time, by deed, or otherwise in writing signed by any officer or manager of the Chargee or any person authorised for this purpose by the Chargee, appoint one or more persons to be a Receiver The Chargee may similarly remove any Receiver and appoint any person instead of any Receiver If the Chargee appoints more than one person as Receiver, the Chargee may give those persons power to act either jointly or severally

9 2 Scope of Appointment

Any Receiver may be appointed Receiver of all of the Secured Property or Receiver of a part of the Secured Property specified in the appointment In the latter case, the rights conferred on a Receiver as set out in clause 9 3 shall have effect as though every reference in clause 9 3 to the Secured Property was a reference to the part of the Secured Property so specified or any part of the Secured Property

9 3 Rights of Receivers

Any Receiver appointed pursuant to this Deed shall have the rights, powers, privileges and immunities conferred by the Insolvency Act 1986 on administrative or other receivers duly appointed under the Insolvency Act 1986, and shall also shall 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, and either alone or jointly with any other person

(a) ***Enter into Possession***: to take possession of, get in and collect the Secured Property, and to require payment to it of any amounts owing in relation to the Secured Property,

(b) ***Deal with Secured Property***: to sell, transfer, assign, exchange, hire out, lend or otherwise dispose of or realise the Secured Property to any person (including any person connected with the Chargor or the Chargee) either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred),

(c) ***Borrow Money***: to borrow or raise money on the security of the Secured Property (either in priority to the security created by this Deed or otherwise) and on such terms and conditions and for such purpose as he may think fit,

(d) ***Rights of Ownership***: to manage and use the Secured Property and to exercise and do (or permit the Chargor or any nominee of it 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 Secured Property,

(e) ***Insurance, repairs, improvements etc.***: to insure the Secured Property on such terms as he thinks fit, to carry out modifications, repairs, alterations, improvements and additions to the Secured Property and to purchase or otherwise acquire or do anything in connection with the Secured Property as he may think fit,

(f) ***Claims***: to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands relating to the Secured Property,

(g) ***Legal Actions***: to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Secured Property,

(h) ***Redemption of Security***: to redeem any Security (whether or not having priority to the security created by this Deed) over the Secured Property and to settle the accounts of any person with an interest in the Secured Property,

(i) ***Insolvency Act*** to exercise all powers set out in Schedule 1 or Schedule B1 to the Insolvency Act 1986 as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule B1 after the date of this Deed, and

(j) ***Other Powers.*** to do anything else he may think fit for the realisation of the Secured Property or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document, the Law of Property Act 1925 or the Insolvency Act 1986

9 4 **Agent of Chargor**

Any Receiver shall be the agent of the Chargor for all purposes The Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions, defaults and Losses incurred by the Receiver

9 5 **Remuneration of Receiver**

The Chargor may determine the remuneration of any Receiver and direct payment of that remuneration out of moneys he receives as Receiver The Chargor alone shall be liable for the remuneration and all other costs, charges and expenses of the Receiver

10 **CHARGEE'S RIGHTS**

10 1 **Same Rights as Receiver**

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Chargee after the security constituted by this Deed becomes enforceable, whether or not the Chargee shall have taken possession or appointed a Receiver of the Secured Property

10 2 **Delegates**

The Chargee may delegate in any manner to any person any rights exercisable by the Chargee under any Finance Document Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Chargee thinks fit

11 **APPLICATION OF PROCEEDS**

All monies received by the Chargee or any Receiver or Delegate under this Deed shall be applied in or towards satisfaction of the Secured Obligations in such order of priority as the Chargee in its absolute discretion may determine (subject to the prior discharge of all liabilities having priority thereto by law) and, subject to any such determination, in the following order of priority

(a) in payment of any Loss suffered or incurred by the Chargee or any Receiver or Delegate in connection with the exercise of any power under this Deed, the preserving or attempting to preserve this security or the Secured Property and of all outgoings paid by the Chargee,

(b) in payment to any Receiver of all remuneration as may be agreed between such Receiver and the Chargee should be paid to such Receiver in connection with its appointment as such, and

(c) in or towards reduction of the remaining Secured Obligations in such manner as the Chargee shall determine

12 **LIABILITY OF CHARGEE, RECEIVERS AND DELEGATES**

12 1 **Possession**

If the Chargee or any Receiver or Delegate takes possession of the Secured Property, it or he may at time relinquish possession Without prejudice to clause 12 2, the Chargee shall not be liable as a mortgagee in possession by reason of viewing or repairing any of the Secured Property

12 2 **Chargee's Liability**

Neither the Chargee nor any Receiver or Delegate shall (either by reason of taking possession of the Secured Property or for any other reason and whether as mortgagee in possession or otherwise) be liable to the Chargor or any other person for any Losses relating to the realisation of any of the Secured Property or from any act, default, omission, or misconduct of the Chargee, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Secured Property or in connection with the Finance Documents

13 **PROTECTION OF THIRD PARTIES**

13 1 **No Duty to Enquire**

No person dealing with the Chargee or any Receiver or Delegate shall be concerned to enquire

(a) whether the rights conferred by any Finance Document are exercisable,

(b) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with,

(c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights, or

(d) as to the application of any money borrowed or raised

13 2 **Protection to Purchasers**

All the protection to purchasers contained in Sections 104 and 107 of the Law of Property Act 1925, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Chargee, any Receiver or any Delegate

14 **INDEMNITY**

14 1 **General Indemnity**

The Chargor shall indemnify and keep indemnified the Chargee every Receiver and every Delegate from and against all Losses which any of them may suffer or incur in connection with

(a) the exercise of any powers conferred by this Deed,

(b) the perfection, preservation or enforcement of the security created by this Deed,

(c) the non-performance or non-observance of any of the undertakings and agreements on the part of the Chargor contained in this Deed,

(d) the manufacture, description, fitness for purpose, merchantability suitability, quality, state, appearance, safety, durability, value, design, testing, delivery, import, export, registration, ownership, possession, control, use, operation, leasing, sub-leasing, insurance, maintenance, repair, refurbishment, service, overhaul, modification, change, alteration, loss, damage, storage, removal, re-delivery or otherwise of the Equipment; and

(e) of any matter or thing done or omitted to be done relating in any way whatsoever to the Secured Property

14 2 **Currency Indemnity**

If an amount due to the Chargee from the Chargor in one currency (the **"first currency"**) is received by the Chargee in another currency (the **"second currency"**), the Chargor's obligations to the Chargee in respect of such amount shall only be discharged to the extent that the Chargee may purchase the first currency with the second currency in accordance

with its normal banking practice If the amount of the first currency which may be so purchased (after deducting any costs of exchange and any other related costs) is less than the amount so due, the Chargor shall indemnify the Chargee against the shortfall

14 3 **Payment and Security**

The Chargee may retain and pay out of any money in the hands of the Chargee all sums necessary to effect the indemnities contained in this clause 14 and all sums payable by the Chargor under this clause 14 shall form part of the monies hereby secured

15 **SUSPENSE ACCOUNT**

The Chargee may place and keep any monies received under this Deed, before or after the insolvency of the Chargor, to the credit of a suspense account in order to preserve the rights of the Chargee to sue or prove for the whole amount in respect of claims against the Chargor or any other person

16 **SET-OFF**

The Chargee may at any time without notice, notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any obligation it owes to the Chargor in whatever currency and set-off any sum in respect of such obligation in or towards satisfaction of the Secured Obligations

17 **POWER OF ATTORNEY**

The Chargor, by way of security, irrevocably appoints the Chargee and any persons deriving title under it, every Receiver and every Delegate jointly and severally to be its attorney (with full power of substitution) and in its name or otherwise on its behalf and as its act and deed to sign, seal, execute, deliver, perfect and do all deeds, instruments, acts and things which may be required or which such attorney shall think proper or expedient for carrying out any obligations imposed on the Chargor under this Deed or for exercising any of the powers conferred by this Deed or for giving to the Chargee the full benefit of this security and so that this appointment shall operate to authorise such attorney to do on behalf of the Chargor anything it can lawfully do by an attorney The Chargor ratifies and confirms and agrees to ratify and confirm any deed, instrument, act or thing which such attorney or substitute may execute or do

18. **FURTHER ASSURANCES**

18 1 The Chargor agrees that at any time and from time to time upon the written request of the Chargee it will promptly and duly execute and deliver any and all such further instruments and documents as the Chargee may deem desirable for the purpose of obtaining the full benefit of this Deed and of the rights and powers granted in this Deed

18 2 The obligations of the Chargor under this clause 18 shall be in addition to and not in substitution for the covenants for further assurance deemed to be included in this Deed by virtue of the Law of Property (Miscellaneous Provisions) Act 1994

19 **MISCELLANEOUS**

19 1 **Waivers**

Time shall be of the essence under this Deed but no failure or delay on the part of the Chargee to exercise any power, right or remedy under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise by the Chargee of any power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy

19 2 **Remedies**

The remedies provided in this Deed are cumulative and are not exclusive of any remedies provided by law

19 3 **Amendment**

Any amendment or waiver of any provision of this Deed and any waiver of any default under this Deed shall only be effective if made in writing and signed by the Chargee

19 4 **Statement of Account**

Any statement of account signed as correct by the Chargee showing any amount due under the Facility Agreement or under any Finance Document or under this Deed shall, in the absence of manifest error, be conclusive evidence of the amount so due

19 5 **Severability**

If any provision of this Deed is prohibited or unenforceable in any jurisdiction such prohibition or unenforceability shall not invalidate the remaining provisions hereof or affect the validity or enforceability of such provision in any other jurisdiction

19 6 **Assignment**

The Chargee may assign and/or transfer any or all of its rights and obligations under this Deed The Chargor shall not assign or transfer any of its rights or obligations under this Deed

19 7 **Successors and Assigns**

This Deed shall bind and shall inure for the benefit of each of the parties hereto and each of their respective successors and permitted assigns

19 8 **Third Party Rights**

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

19 9 **Law of Property Act 1925**

Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed

19 10 **Counterparts**

This Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any party hereto may execute this Deed by signing any such counterpart

20 **NOTICES**

20 1 Any communication to be made under or in connection with this Deed shall be made in writing and may be made by letter or fax

20 2 The address and fax number of each party for any communication or document to be made or delivered under or in connection with this Deed is

in the case of the Chargor

Blenheim Bedrooms Limited
4 South Road
Chorleywood
Hertfordshire
WD3 5AR

and, in the case of the Chargee

FAO Steven Gee
Close Brothers Limited
10 Crown Place
London
EC2A 4FT

Or any substitute address or fax number as one party may notify to the other by not less than five Business Days' notice

20 3 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective·

(a) if by way of fax, when received in legible form, or

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

21 **GOVERNING LAW AND JURISDICTION**

21 1 This Deed is governed by English law

21 2 The courts of England have non-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)

This Deed has been entered into as a deed on the date stated at the beginning of this Deed.

SIGNATURE PAGE

The Chargor

EXECUTED as a deed	)	
for and on behalf of	)	
BLENHEIM BEDROOMS LIMITED	)	Director
by	)	
and by	)	Director / Secretary

The Chargee

EXECUTED as a deed	)	
By **CLOSE BROTHERS LIMITED**	)	
	)	
	)	Director

THE SCHEDULE ABOVE REFERRED TO

The Equipment referred to in this Deed means the following -

1 x Anderson Stratos CNC Machining Centre, S/N 96244