



Registration of a Charge

Company Name: **J.H. LEEKE AND SONS LIMITED**

Company Number: **05216515**



Received for filing in Electronic Format on the: **24/12/2021**

XAK0ZPGZ

Details of Charge

Date of creation: **22/12/2021**

Charge code: **0521 6515 0009**

Persons entitled: **HSBC BANK PLC**

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: **WE 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.**

Certified by: **OSBORNE CLARKE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5216515

Charge code: 0521 6515 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd December 2021 and created by J.H. LEEKE AND SONS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th December 2021 .

Given at Companies House, Cardiff on 2nd January 2022

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



Companies House



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

Cross-Guarantee and Debenture

- (1) **J.H. LEEKE AND SONS LIMITED** and certain of its subsidiaries
- (2) **HSBC BANK PLC** as hedge counterparty

Dated 22 December 2021

**THIS DEBENTURE IS ENTERED INTO SUBJECT TO THE TERMS OF A DEED OF PRIORITY
ENTERED INTO BETWEEN THE PARTIES TO THIS DEED, BARCLAYS BANK PLC AND HSBC
UK BANK PLC**

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

Dated this 23 December 2021

Signed 

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This Deed is made on

22 December 2021

Between:

- (1) **The Company and each other person** listed in Schedule 1 (*The Original Chargors*) (the "**Original Chargors**"); and
- (2) **HSBC Bank plc** (the "**Hedge Counterparty**").

This Deed witnesses as follows:

1. Definitions and interpretation

1.1 Definitions

The following definitions shall apply in this Deed:

"Accession Deed" means a document substantially in the form set out in Schedule 4 (*Form of Accession Deed*) or such other form as the Hedge Counterparty may require (acting reasonably).

"Administrator" means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage a Chargor's affairs, business and property.

"Assigned Contract" means each contract specified in Part 3 (*Assigned Contracts*) of Schedule 2 (*Security Assets*), and (with effect from the date of the relevant Accession Deed) each contract specified as an Assigned Contract in an Accession Deed (if any).

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

"Blocked Accounts" means:

- (a) any Book Debts Account;
- (b) with effect from the date of an Accession Deed, any accounts specified as a Blocked Account in that Accession Deed; and
- (c) all monies standing to the credit of any account referred to in paragraph (a) or (b) above and all Related Rights in respect of such account or the monies standing to the credit thereof.

"Book Debts Account" means such separate and denominated account or accounts with the Hedge Counterparty as may be specified in writing by the Hedge Counterparty for the purpose of receiving payment of the proceeds of realisation and collection of Debts.

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

"Charged Agreement" means any present or future agreement to which a Chargor is a party (or any present or future agreement in which a Chargor has a right, title or interest) which does not prohibit, either absolutely or conditionally (including requiring the consent of any third party), that Chargor from assigning its rights under, or creating a charge over its interest in, that agreement.

"Chargors" means each Original Chargor and any person that executes and delivers an Accession Deed in favour of the Hedge Counterparty after the date of this Deed.

"Company" means J.H. Leeke and Sons Limited, incorporated in England and Wales with registered number 05216515.

"Debt Document" means a facilities agreement dated on or around the date of this deed and made between, amongst others, (1) HSBC UK Bank plc and (2) the Company, as the same may be amended, novated, supplemented, extended or restated from time to time.

"Debts" means:

- (a) all monies or liabilities due, owing or incurred by a person to a Chargor at present or in the future, in any manner, whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety; and
- (b) any Related Rights in respect thereof.

"Default Rate" means:

- (a) the default interest rate set out in the document under which the relevant liability for the overdue amount initially arose; or
- (b) if no default interest rate is set out in such document, a rate per annum equal to the cost (without proof or evidence of any actual cost) to the Hedge Counterparty (as certified by it) if it were to fund the relevant amount plus 2 per cent. per annum.

"Derivative Asset" means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any asset and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of an asset.

"Event of Default" means any event of default or termination event (howsoever described) under a Hedging Agreement.

"Finance Documents" means each Hedging Agreement, the Intercreditor Agreement, this Deed and in each case as amended, novated, supplemented, extended or restated from time to time. .

"Floating Charge Asset" means an asset charged under sub-clause 3.3 (*Floating charge*) of this Deed or sub-clause 4.1(d) (*Security*) of an Accession Deed.

"Hedging Agreement" means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by the Company and the Hedge Counterparty for the purpose of hedging liabilities and/or risks from time to time.

"Insurance Proceeds" means all monies from time to time payable to a Chargor under or pursuant to the Insurances, including the refund of any premium.

"Insurances" means all policies of insurance and all proceeds of them either now or in the future held by, or written in favour of, a Chargor or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors' and officers' insurance.

"Intellectual Property Rights" means:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, database rights, computer software, design rights, domain names, moral rights, inventions, confidential information, trade secrets, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered of each Chargor;

- (b) the benefit of all applications and rights to use those assets described in paragraph (a) of each Chargor (which may now or in the future subsist); and
- (c) any Related Rights arising in relation to any of the assets described in paragraphs (a) to (b) (inclusive).

"Intercreditor Agreement" means the deed of priority dated the same date as this agreement and made between, among others, the Borrower, Barclays and the Hedge Counterparty.

"Investment" means any present or future stock, share, debenture, loan stock, interest in any investment fund and any other present or future security (whether or not marketable) whether owned directly or by or to the order of a Chargor or by any trustee, fiduciary or clearance system on its behalf, including any Derivative Asset and any Related Rights in respect of any of the foregoing.

"LPA" means the Law of Property Act 1925.

"Other Accounts" means all a Chargor's present and future accounts (other than a Blocked Account) with any bank or other person, all monies standing to the credit of each such account and all Related Rights in respect of any such account.

"Party" means a party to this Deed.

"Plant and Machinery" means all plant and machinery, equipment, fittings, installations and apparatus, tools, motor vehicles and all other similar assets (other than any assets that are deemed by law to be immoveable property), wherever they are situated, which are now, or at any time after the date of this Deed become, the property of a Chargor.

"Property" means:

- (a) all of the freehold and/or leasehold property of a Chargor described in Part 1 (*The Property*) of Schedule 2 (*Security Assets*) and Part 1 (*The Property*) of the schedule to each Accession Deed (if any);
- (b) all present and future freehold and leasehold property or immovable property of a Chargor situated in England and Wales (other than the property referred to in paragraph (a));
- (c) any buildings, fixtures, fittings, plant and machinery from time to time on or forming part of the property referred to in paragraphs (a) and (b); and
- (d) any Related Rights arising in relation to any of the assets described in paragraphs (a) to (c) (inclusive),

and **"Properties"** shall be construed accordingly.

"Receiver" means a receiver or receiver and manager of the whole or any part of the Security Assets.

"Related Rights" means, where used in relation to an asset, the following:

- (a) the proceeds of sale and/or other realisation of that asset (or any part thereof or interest therein);
- (b) all Security, Authorisations, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such asset; and
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such asset.

"Secured Liabilities" means all present and future liabilities and obligations at any time due, owing or incurred in any manner whatsoever by each Obligor to the Hedge Counterparty (including but not limited to those liabilities and obligations owing pursuant to any Hedging Agreement), both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

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

"Security Assets" means:

- (a) the assets mortgaged, charged or assigned by way of security to the Hedge Counterparty by this Deed or any Accession Deed ; and
- (b) any assets held on trust by a Chargor for the Hedge Counterparty.

"Security Period" means the period from the date of this Deed until the date on which the Hedge Counterparty has determined (acting reasonably) that all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and that no commitment is outstanding.

"Shares" means:

- (a) the shares described in Part 2 (*Shares*) of Schedule 2 (*Security Assets*) and Part 2 (*Shares*) of the schedule to each Accession Deed (if any);
- (b) all Derivative Assets in relation to the shares referred to in paragraph (a); and
- (c) all Related Rights in respect of paragraphs (a) to (b) (inclusive).

"Supplemental Debenture" means a supplemental debenture to this Deed in such form as the Hedge Counterparty may require.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"VAT" means:

- (a) any value added tax imposed by the Value Added Tax Act 1994;
- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (a) or (b) above, or imposed elsewhere.

1.2 **Construction**

- (a) Unless a contrary indication appears, a reference in this Deed to:
 - (i) the **"Hedge Counterparty"**, any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
 - (ii) **"assets"** includes present and future properties, revenues and rights of every description;

- (iii) a "**Hedging Agreement**" or any other agreement or instrument is a reference to that Hedging Agreement or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (iv) "**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;
 - (v) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - (vi) a provision of law is a reference to that provision as amended or re-enacted; and
 - (vii) a time of day is a reference to London time.
- (b) Section, Clause and Schedule headings are for ease of reference only.
 - (c) A Default (other than an Event of Default) is "**continuing**" if it has not been remedied or waived and an Event of Default is "**continuing**" if it has not been waived.

1.3 ***Third party rights***

- (a) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

1.4 ***Law of Property (Miscellaneous Provisions) Act 1989***

To the extent necessary for any agreement for the disposition of the Security Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Deed are incorporated into this Deed.

1.5 ***Implied covenants for title***

The obligations of each Chargor under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.6 ***Effect as a Deed***

This Deed is intended to take effect as a deed notwithstanding that the Hedge Counterparty may have executed it under hand only.

1.7 ***Trusts***

The perpetuity period for any trusts created by this Deed is 125 years.

2. ***Cross-guarantee and covenant to pay***

2.1 ***Covenant to pay***

Each Chargor as primary obligor covenants with the Hedge Counterparty that it will on demand pay to the Hedge Counterparty the Secured Liabilities when the same fall due for payment.

2.2 **Cross-Guarantee**

Each Chargor irrevocably and unconditionally jointly and severally:

- (a) guarantees to the Hedge Counterparty punctual performance by each other Obligor of all that Obligor's obligations to the Hedge Counterparty;
- (b) undertakes with the Hedge Counterparty that whenever another Obligor does not pay any part of the Secured Liabilities when due to the Hedge Counterparty, that Chargor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with the Hedge Counterparty that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Hedge Counterparty immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any part of the Secured Liabilities which would, but for such unenforceability, invalidity or illegality, have been payable by it on the date when it would have been due. The amount payable by a Chargor under this indemnity will not exceed the amount it would have had to pay under this Deed if the amount claimed had been recoverable on the basis of a guarantee.

2.3 **Guarantee provisions**

The covenants and guarantees contained in clause 2.1 (*Covenant to pay*) and clause 2.2 (*Cross-Guarantee*) are given subject to, and with the benefit of, the provisions set out in Schedule 6 (*Guarantee Provisions*) by each of the Chargors jointly and severally.

2.4 **Default interest**

Each Chargor shall pay to the Hedge Counterparty interest on the Secured Liabilities if not paid or discharged when due and payable (after as well as before any demand made or judgment obtained or the liquidation or administration of such Chargor) at the Default Rate upon such days as the Hedge Counterparty from time to time may determine and such interest shall be compounded in the event of it not being paid punctually with quarterly rests but without prejudice to the Hedge Counterparty's right to require payment of such interest when due.

3. **Security Assets**

3.1 **Fixed charges**

Each Chargor, as security for the payment of the Secured Liabilities, charges in favour of the Hedge Counterparty, with full title guarantee, the following assets, from time to time owned by it or in which it has an interest:

- (a) by way of first legal mortgage, each Property; and
- (b) by way of first fixed charge:
 - (i) all Property not effectively mortgaged under sub-clause 3.1(a);
 - (ii) all fixed and permanent Plant and Machinery;
 - (iii) all Plant and Machinery not effectively charged under sub-clause 3.1(b)(ii);
 - (iv) all Shares;
 - (v) all Debts;
 - (vi) all Blocked Accounts;
 - (vii) all Other Accounts;

- (viii) all Investments;
- (ix) all Intellectual Property Rights;
- (x) any VAT which it is entitled to recover and any other tax refund, rebate or repayment and any sums so received;
- (xi) any Charged Agreement;
- (xii) its goodwill and uncalled capital; and
- (xiii) if not effectively assigned by way of security pursuant to sub-clause 3.2 (*Security assignment*), all its rights and interests in (and claims under) the assets described in sub-clause 3.2 (*Security assignment*).

3.2 ***Security assignment***

As security for the payment of the Secured Liabilities, each Chargor assigns, by way of security, with full title guarantee to the Hedge Counterparty all its rights, title and interest in:

- (a) the Insurances and the Insurance Proceeds;
- (b) each Assigned Contract; and
- (c) all Related Rights in respect of each of the above.

3.3 ***Floating charge***

- (a) As further security for the payment of the Secured Liabilities, each Chargor charges with full title guarantee in favour of the Hedge Counterparty by way of first floating charge its undertaking and all its present and future assets other than those assets which are effectively charged by way of first fixed charge or legal mortgage under sub-clause 3.1 (*Fixed charges*) or which are effectively assigned by way of security under sub-clause 3.2 (*Security assignment*).
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this Deed.

3.4 ***Conversion of floating charge by notice***

If:

- (a) an Event of Default has occurred and is continuing; or
- (b) the Hedge Counterparty is of the view (acting reasonably) that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized, sold or otherwise in jeopardy,

the Hedge Counterparty may, by notice to a Chargor, convert the floating charge created under this Deed into a fixed charge as regards those assets which it specifies in that notice. The relevant Chargor shall promptly following request by the Hedge Counterparty execute a fixed charge or legal or equitable assignment over those assets in such form as the Hedge Counterparty may require.

3.5 ***Automatic conversion of floating charge***

If, without the prior written consent of the Hedge Counterparty:

- (a) a Chargor creates any Security (other than Security otherwise permitted pursuant to the Debt Document) over all or any of the Security Assets or attempts to do so;
- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any of the Security Assets;
- (c) a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of a Chargor; or
- (d) any steps are taken for the appointment of, or notice is given of intention to appoint, or a petition is filed or application is made, or a competent court makes an order for the appointment of an administrator, in relation to a Chargor,

then the floating charge created by this Deed over the Floating Charge Assets of that Chargor will automatically, without notice, be converted into a fixed charge as soon as such event occurs.

3.6 ***Small company moratorium***

- (a) Subject to paragraph 3.6(b) below, the obtaining of a moratorium under Part A1 of the Insolvency Act 1986, or anything done with a view to obtaining such a moratorium (including any preliminary decision or investigation), shall not be an event causing any floating charge created by this Deed to crystallise or causing restrictions which would not otherwise apply to be imposed on the disposal of any asset by a Chargor or a ground for the appointment of a Receiver.
- (b) Paragraph 3.6(a) above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

4. **Nature of Security**

4.1 ***Continuing security***

- (a) The Security created by this Deed is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or any other matter or thing.
- (b) Each Chargor waives any right it may have of first requiring the Hedge Counterparty to proceed against or enforce any other rights or Security or claim payment from any person before claiming from an Obligor under a Finance Document. This waiver applies irrespective of any law or any provision of the Finance Document to the contrary.
- (c) Until the Security Period has ended, the Hedge Counterparty may refrain from applying or enforcing any other monies, Security or rights held or received by the Hedge Counterparty in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and a Chargor shall not be entitled to the benefit of the same.
- (d) Each Chargor expressly confirms that it intends that the guarantee and Security constituted by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to the Secured Liabilities as a result of the amendment and/or restatement of any Finance Document.

4.2 ***Non-merger of Security***

The Security created by this Deed is to be in addition to and shall neither be merged with nor in any way exclude or prejudice or be affected by any other Security or other right which the Hedge Counterparty may now or after the date of this Deed hold for any of the Secured Liabilities, and this Deed may be enforced against any Chargor without first having recourse to any other rights of the Hedge Counterparty.

5. Further assurances and protection of priority

5.1 General

- (a) Each Chargor shall, at its own expense, promptly do all such acts or execute all such documents (including Supplemental Debentures, assignments, transfers, mortgages, charges, notices and instructions) as the Hedge Counterparty may reasonably specify (and in such form as the Hedge Counterparty may reasonably require in favour of the Hedge Counterparty or its nominee(s)):
 - (i) to perfect or protect the Security created or intended to be created under, or evidenced by, this Deed (which may include the execution of a Supplemental Debenture, mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Hedge Counterparty provided by or pursuant to this Deed or by law;
 - (ii) to confer on the Hedge Counterparty Security over any assets of a Chargor, located in any jurisdiction, equivalent or similar to the Security intended to be conferred by or pursuant to this Deed and, pending the conferring of such Security, hold such assets upon trust (or in any manner required by the Hedge Counterparty) for the Hedge Counterparty; and/or
 - (iii) to facilitate the realisation or enforcement of the assets which are, or are intended to be, the subject of the Security created, or intended to be created, by this Deed.
- (b) Each Chargor shall take all such action (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Hedge Counterparty by or pursuant to this Deed.

5.2 HM Land Registry

In relation to each Property from time to time, each Chargor irrevocably consents to the Hedge Counterparty applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that Property (including any unregistered properties subject to compulsory first registration at the date of this Deed) on the prescribed Land Registry form and in the following or substantially similar terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the debenture dated • in favour of HSBC Bank plc referred to in the charges register."

5.3 Register of Intellectual Property Rights

Each Chargor shall, if requested by the Hedge Counterparty, execute all such documents and do all such acts as the Hedge Counterparty may reasonably require to record the interests of the Hedge Counterparty in any registers relating to registered Intellectual Property Rights.

5.4 Notices

Each Chargor shall, on the date of this Deed, give notice of:

- (a) the charge over its Blocked Accounts and Other Accounts (other than accounts maintained with the Hedge Counterparty) under this Deed to the person at which such accounts are maintained in the form set out in Part 1 (*Form of notice in relation to a Blocked Account or Other Account*) of Schedule 3 (*Form of notices*);

- (b) the assignment of the Insurances under this Deed to its insurers in the form set out in Part 2 (*Form of notice to insurers*) of Schedule 3 (*Form of notices*); and
- (c) the assignment of each Assigned Contract under this Deed to each counterparty in the form set out in Part 3 (*Form of notice in relation to Contracts*) of Schedule 3 (*Form of notices*),

and, in each case, shall use all reasonable endeavours to procure that each person on whom a notice is served, executes and delivers to the Hedge Counterparty an acknowledgement of that notice in the relevant form scheduled to this Deed or in such other form as the Hedge Counterparty may require.

6. **Representations and warranties**

Each Chargor makes the representations and warranties listed below in favour of the Hedge Counterparty.

6.1 **Security Assets**

- (a) Immediately prior to the date of this Deed it was the legal and beneficial owner of the Security Assets with the right to transfer with full title guarantee all or any part of the Security Assets and had good and marketable title to the Security Assets.
- (b) Save in respect of any Security Assets legally assigned to the Hedge Counterparty pursuant to this Deed, it is the legal and beneficial owner of the Security Assets with the right to transfer with full title guarantee all or any part of the Security Assets and has good and marketable title to the Security Assets.
- (c) Schedule 2 (*Security Assets*) identifies:
 - (i) all the freehold and leasehold property situated in England and Wales; and
 - (ii) all the shares in respect of companies incorporated in England and Wales, beneficially owned by each Chargor at the date of this Deed.

6.2 **Investments and Shares**

- (a) All Investments and the Shares are fully paid and none are subject to any option to purchase or similar rights.
- (b) It has not appointed any nominee to exercise or enjoy all or any of its rights in relation to the Investments or the Shares.
- (c) The constitutional documents of any company whose shares are the subject of the Security created by this Deed do not and could not restrict or prohibit any transfer of those shares on creation or on enforcement of that Security.

6.3 **Repetition**

The representations in this clause are deemed to be made by each Chargor by reference to the facts and circumstances then existing on the date of this Deed and are deemed to be made by each Chargor on 31 March, 30 June, 30 September and 31 December of each year for the duration of the Security Period.

7. **Undertakings**

7.1 **Duration of undertakings**

Each Chargor undertakes to the Hedge Counterparty in the terms of this clause for the duration of the Security Period.

7.2 **General undertakings**

(a) *Negative pledge and disposal restrictions*

It will not:

- (i) create or agree to create or permit to subsist or arise any Security over all or any part of the Security Assets; or
- (ii) sell, transfer, lease out, lend or otherwise dispose of all or any part of the Security Assets (other than Floating Charge Assets on arm's length terms in the ordinary course of trading) or agree or attempt to do the same,

except as permitted by the Debt Document or with the prior written consent of the Hedge Counterparty.

(b) *Deposit of documents or title deeds*

It will deposit with the Hedge Counterparty:

- (i) to the extent that the relevant documents have not been deposited with a clearance system, settlement system or custodian acceptable to the Hedge Counterparty, all deeds, stock and share certificates or other documents of title (or documents evidencing title or the right to title) and agreements relating to a Security Asset (including, without limitation, all deeds and documents of title relating to the Property);
- (ii) any stock transfer forms or other instruments of transfer duly completed to the Hedge Counterparty's satisfaction;
- (iii) to the extent requested by the Hedge Counterparty from time to time:
 - (A) certified copies of all the Assigned Contracts;
 - (B) all deeds and documents of title (if any) relating to the Debts;
 - (C) details of all Plant and Machinery; and
 - (D) details of all bank accounts; and
- (iv) any other document which the Hedge Counterparty may require for the purposes of perfecting the Security created by this Deed.

(c) *Compliance with laws*

It shall at all times comply with all laws and regulations applicable to it and will obtain and maintain in full force and effect all Authorisations which may at any time be required with respect to any of the Security Assets where failure to do so (i) would materially impair its ability to perform its obligations under the Finance Documents to which it is a party or (ii) has or is reasonably likely to have a material adverse effect on its business, operations, assets or financial condition.

(d) *Information*

It shall supply promptly to the Hedge Counterparty such information in relation to the Security Assets as the Hedge Counterparty may reasonably request.

(e) *Insurance*

Each Chargor shall:

- (i) supply on request copies of each of its policies of insurance together with the current premium receipts relating to each such policy;
- (ii) ensure that the interest of the Hedge Counterparty is noted on all its insurance policies in respect of its Security Assets from time to time;
- (iii) duly and punctually pay all premiums and any other monies necessary for maintaining its insurance policies in full force and effect. If a Chargor at any time fails to pay any such premiums or other monies, the Hedge Counterparty may pay such premiums and other monies and the Chargors shall reimburse the Hedge Counterparty for the amount of such premiums and other monies within 3 Business Days of demand;
- (iv) not, without the prior written consent of the Hedge Counterparty, do any act or commit any default which might prejudice the insurance policies, including, without limitation, any act or default whereby the insurance policies might become void or voidable; and
- (v) apply any monies received by virtue of any insurance relating to the whole or any part of the Security Assets in accordance with the terms of the Finance Documents.

7.3 Investments and Shares

(a) *Exercise of rights*

- (i) Prior to an Event of Default, it may exercise or refrain from exercising (or direct the same) any of the powers or rights conferred upon or exercisable by the legal or beneficial owner of the Investments or the Shares unless such exercise or refrain from exercising (or direction to do the same):
 - (A) breaches, or might reasonably be expected to breach, any term of the Debt Document; or
 - (B) would, or might reasonably be expected to, have an adverse effect on the value of any of the Security Assets or otherwise prejudice any Security created by this Deed; or
 - (C) would, or might reasonably be expected to, affect any rights or powers of the relevant Chargor arising from its legal or beneficial ownership of the Investment or the Shares.
- (ii) At any time when an Event of Default is continuing, it shall not, without the prior written consent of the Hedge Counterparty, exercise or refrain from exercising (or direct the same) any of the powers or rights conferred upon or exercisable by the legal or beneficial owner of the Investments or the Shares.

(b) *Registration of transfers*

If requested by the Hedge Counterparty at any time when an Event of Default is continuing, it shall procure that all Investments and Shares which are in registered form are duly registered in the name of the Hedge Counterparty or its nominee once a transfer relating to those Investments and Shares is presented for that purpose.

(c) *Clearance systems etc*

If requested by the Hedge Counterparty at any time when an Event of Default is continuing, it shall instruct any clearance system, settlement system, custodian or similar person to transfer any Investments then held by any such person for its or some nominee's account to the account of the Hedge Counterparty (or its nominee) with such clearance system (or as otherwise required by the Hedge Counterparty).

(d) *Acquisition and calls*

It shall:

- (i) not, without the prior written consent of the Hedge Counterparty, acquire any Investments or Shares unless they are fully paid;
- (ii) promptly notify the Hedge Counterparty of the acquisition of any Investment or Shares;
- (iii) duly and promptly pay all calls, instalments or other payments which may be due and payable in respect of any Investments or Shares and, for the avoidance of doubt, the Hedge Counterparty shall not incur any liability in respect of any amounts due from a Chargor in respect of any Investments or Shares.

(e) *Dividends*

At any time when an Event of Default is continuing, it shall immediately pay all dividends or other monies received by it in respect of the Investments and the Shares to the Hedge Counterparty, or as the Hedge Counterparty may direct from time to time.

(f) *Nominees*

It shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments or the Shares.

7.4 Debts

(a) *Value of Debts*

It will ensure that all Debts are evidenced by a written agreement between it and the debtor or debtors.

(b) *Realisation of Debts*

During the Security Period, it undertakes with reference to the Debts:

- (i) to collect the Debts in the ordinary course of its business;
- (ii) not, without the prior written consent of the Hedge Counterparty, to sell, factor, discount, charge, assign, declare a trust over or otherwise dispose of or release, exchange, compound, set off or grant time or indulgence or otherwise deal with all or any of the Debts in favour of any other person or purport to do so;
- (iii) if required by the Hedge Counterparty at any time when the Security created pursuant to this Deed is enforceable:
 - (A) to pay into the Book Debts Account or otherwise as the Hedge Counterparty may direct from time to time all monies it may receive in respect of the Debts;

- (B) prior to the payment into any Book Debts Account (or otherwise as the Hedge Counterparty may direct) to hold the proceeds of those Debts on trust for the Hedge Counterparty; and
- (C) to execute a legal assignment of the Debts to the Hedge Counterparty in such terms as the Hedge Counterparty in its discretion may require, give such notice of that legal assignment to the debtors from whom the Debts are due, owing or incurred and take any such other step as the Hedge Counterparty in its discretion may require to perfect such legal assignment.

(c) *Blocked Accounts*

During the Security Period, no Chargor shall, except with the prior written consent of the Hedge Counterparty, withdraw or attempt or be entitled to withdraw from any Blocked Account all or any monies standing to the credit of any Blocked Account.

(d) *Other Bank Accounts*

At any time when an Event of Default is continuing, if the Hedge Counterparty has served written notice on the relevant Chargor requiring the same, no Chargor shall, except with the prior written consent of the Hedge Counterparty, withdraw or attempt or be entitled to withdraw from any of its bank accounts all or any monies standing to the credit of such bank accounts.

7.5 ***Intellectual Property Rights***

It shall:

- (a) take all necessary action to safeguard and maintain its rights, present and future, in or relating to Intellectual Property Rights (including the payment of all renewal fees and all steps which are necessary or desirable to maintain any applicable registrations with any appropriate registry or other government authority or body);
- (b) keep the Hedge Counterparty fully informed as to the registration or requirement to renew the registration of any Intellectual Property Rights;
- (c) not use or refrain from using its Intellectual Property Rights in a way which may adversely affect the value of those Intellectual Property Rights; and
- (d) notify the Hedge Counterparty promptly of any infringement or suspected infringement or any challenge to the validity of its Intellectual Property Rights and, at the request of the Hedge Counterparty, take all steps necessary to prevent or bring to an end any such infringement and to defend any such challenge.

7.6 ***Property***

(a) *Title*

- (i) Each Chargor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property.
- (ii) No Chargor may agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property.

(b) *Headleases*

Each Chargor must:

- (i) exercise its rights and comply with its obligations under any headlease under which it holds Property;
- (ii) use its reasonable endeavours to ensure that each landlord complies with its obligations under any such headlease; and
- (iii) if so required by the Hedge Counterparty, apply for relief against forfeiture of any such headlease,

in a proper and timely manner.

(c) *Maintenance*

Each Chargor must ensure that all buildings, plant, machinery, fixtures and fittings on its Property are in, and maintained in, good and substantial repair and condition and, as appropriate, in good working order.

(d) *Development*

- (i) No Chargor may:
 - (A) make or allow to be made any application for planning permission in respect of any part of its Property; or
 - (B) carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of its Property.
- (ii) Sub-clause 7.6(d)(i) shall not apply to:
 - (A) ordinary course maintenance of buildings, plant, machinery, fixtures and fittings; or
 - (B) the carrying out of non-structural improvements or alterations which affect only the interior of any building on a Property.
- (iii) Each Chargor must comply in all respects with all planning laws, permissions, agreements and conditions to which its Property may be subject.

(e) *Notices*

Each Chargor must, within 14 days after the receipt of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to its Property (or any part of it):

- (i) deliver a copy to the Hedge Counterparty; and
- (ii) inform the Hedge Counterparty of the steps taken or proposed to be taken to comply with the relevant application, requirement, order or notice.

7.7 *Power to remedy*

If a Chargor fails to comply with any covenant set out in sub-clause 7.2 (*General undertakings*) to sub-clause 7.6 (*Property*) (inclusive), it will allow (and irrevocably authorises) the Hedge Counterparty or any Receiver to take any action on its behalf which the Hedge Counterparty or the Receiver deems necessary or desirable to ensure compliance with those covenants. Each Chargor shall reimburse to the Hedge Counterparty and/or any Receiver, on demand, all amounts expended by the Hedge Counterparty or any Receiver in remedying such failure together with interest in accordance with clause 8.3 (*Default Interest*) of the Debt Document

from the date of payment by the Hedge Counterparty or Receiver (as the case may be) until the date of reimbursement.

8. Enforcement and powers of the Hedge Counterparty

8.1 Enforcement

At any time when an Event of Default is continuing, the Security created pursuant to this Deed shall be immediately enforceable and the Hedge Counterparty may in its absolute discretion and without notice to the Chargors or any of them or the prior authorisation of any court:

- (a) enforce all or any part of the Security created by this Deed and take possession of or dispose of all or any of the Security Assets in each case at such times and upon such terms as it sees fit; and
- (b) whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:
 - (i) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and
 - (ii) granted to a Receiver by this Deed or from time to time by law.

8.2 Power of sale, leasing and other powers

- (a) For the purpose of all rights and powers implied or granted by law, the Secured Liabilities are deemed to have fallen due on the date of this Deed. The power of sale and other powers conferred by section 101 LPA and all other enforcement powers conferred by this Deed shall be immediately exercisable at any time when an Event of Default is continuing.
- (b) The Hedge Counterparty may lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 LPA.
- (c) In the exercise of the powers conferred by this Deed, the Hedge Counterparty may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and it may apportion any rent or other amount without the consent of any Chargor.

8.3 Statutory restrictions

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the LPA shall not apply to the Security constituted by this Deed.

8.4 Appropriation

- (a) In this Deed, "**financial collateral**" has the meaning given to that term in the Financial Collateral Arrangements (No.2) Regulations 2003.
- (b) At any time when an Event of Default is continuing, the Hedge Counterparty may appropriate all or part of the financial collateral in or towards satisfaction of the Secured Liabilities.
- (c) The Parties agree that the value of any such Security Assets appropriated in accordance with sub-clause 8.4(b) shall be the market price of such Security Assets at the time the right of appropriation is exercised as determined by the Hedge Counterparty by reference to such method or source of valuation as the Hedge Counterparty may reasonably select, including by independent valuation. The Parties

agree that the methods or sources of valuation provided for in this sub-clause or selected by the Hedge Counterparty in accordance with this sub-clause shall constitute a commercially reasonable manner of valuation for the purposes of the Financial Collateral Arrangements (No.2) Regulations 2003.

- (d) The Hedge Counterparty shall notify the relevant Chargor, as soon as reasonably practicable, of the exercise of its right of appropriation as regards such of the Security Assets as are specified in such notice.

9. Appointment of a Receiver or Administrator

9.1 Appointment

- (a) At any time when an Event of Default is continuing, or at the request of a Chargor or its directors, the Hedge Counterparty may, without prior notice to the Chargors or any of them, in writing (under seal, by deed or otherwise under hand) appoint:
 - (i) a Receiver in respect of the Security Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his place; or
 - (ii) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (b) Nothing in sub-clause 9.1(a) shall restrict the exercise by the Hedge Counterparty of any one or more of the rights of the Hedge Counterparty under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.
- (c) Section 109(1) LPA shall not apply to this Deed.
- (d) The Hedge Counterparty is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under Part A1 of the Insolvency Act 1986 (including any preliminary decision or investigation), other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

9.2 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Deed (unless the document appointing such Receiver states otherwise).

9.3 Remuneration of Receiver

The Hedge Counterparty may from time to time fix the remuneration of any Receiver appointed by it from time to time. For the purpose of this sub-clause, the limitation set out in section 109(6) LPA shall not apply.

9.4 Liability of the Hedge Counterparty for actions of a Receiver or Administrator

- (a) Each Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him. The Hedge Counterparty shall not be responsible for any misconduct, negligence or default of a Receiver.
- (b) The Hedge Counterparty shall not have any liability for the acts or omissions of an Administrator.

10. **Powers of a Receiver**

A Receiver shall have (and be entitled to exercise) in relation to the Security Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

- (a) all of the specific powers set out in Schedule 7 (*Powers of Receiver*);
- (b) all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- (d) all of the powers conferred on the Hedge Counterparty under this Deed;
- (e) all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which a Chargor itself could do or omit to do; and
- (f) the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, a Chargor; the collection and/or realisation of Security Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of a Chargor (whether under hand, or by way of deed or by utilisation of the company seal of a Chargor)).

11. **Application of monies**

11.1 ***Order of application***

All amounts from time to time received or recovered by the Hedge Counterparty pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security created by this Deed (for the purposes of this sub-clause, the "**Recoveries**") shall be held by the Hedge Counterparty on trust to apply the same at any time as the Hedge Counterparty (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this sub-clause), in the following order, after the payment of any preferential debts ranking in priority to the Secured Liabilities:

- (a) in discharging any sums owing to any Receiver or Administrator and in payment of all costs and expenses incurred by the Hedge Counterparty in connection with any realisation or enforcement of the Security created by this Deed;
- (b) in payment of any Secured Liabilities; and
- (c) the balance of any Recoveries, after all amounts due under sub-clauses 11.1(a) to 11.1(b) have been paid in full, to the relevant Chargor.

The provisions of this sub-clause will override any appropriation made by a Chargor.

11.2 ***Prospective liabilities***

When an Event of Default is continuing, the Hedge Counterparty may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Hedge Counterparty with such financial institution (including itself) and for so long as the Hedge Counterparty shall think fit (the interest being credited to the relevant account) for later application under sub-clause 11.1 (*Order of application*) in respect of:

- (a) any sum to the Hedge Counterparty, any Receiver or Administrator; and

- (b) any part of the Secured Liabilities,

that the Hedge Counterparty reasonably considers, in each case, might become due or owing at any time in the future.

11.3 ***Investment of proceeds***

Prior to the application of the proceeds of the Recoveries in accordance with sub-clause 11.1 (*Order of application*) the Hedge Counterparty may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Hedge Counterparty with such financial institution (including itself) and for so long as the Hedge Counterparty shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Hedge Counterparty's discretion in accordance with the provisions of sub-clause 11.1 (*Order of application*).

11.4 ***Currency conversion***

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities the Hedge Counterparty may convert any monies received or recovered by the Hedge Counterparty from one currency to another, at a market rate of exchange.
- (b) The obligations of any Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

11.5 ***Permitted deductions***

The Hedge Counterparty shall be entitled, in its discretion:

- (a) to set aside by way of reserve, amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed; and
- (b) to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Hedge Counterparty under any of the Finance Documents or otherwise .

12. **Protection of third parties**

12.1 ***No obligation to enquire***

No purchaser from, or other person dealing with, the Hedge Counterparty or a Receiver shall be obliged or concerned to enquire whether:

- (a) the right of the Hedge Counterparty or Receiver to exercise any of the powers conferred by this Deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Secured Liabilities remains outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

12.2 ***Receipt conclusive***

The receipt of the Hedge Counterparty or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve such purchaser of any obligation to see to the application of any monies paid to or by the direction of the Hedge Counterparty or any Receiver.

13. Protection of the Hedge Counterparty

13.1 *No liability*

Neither the Hedge Counterparty nor the Receiver shall be liable in respect of any of the Security Assets or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers.

13.2 *Possession of Security Assets*

Without prejudice to sub-clause 13.1 (*No liability*), if the Hedge Counterparty or a Receiver enters into possession of the Security Assets, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

13.3 *No proceedings*

No Party (other than the Hedge Counterparty, a Receiver or a Delegate in respect of its own officers, employees or agents) may take any proceedings against any officer, employee or agent of the Hedge Counterparty or a Receiver in respect of any claim it might have against the Hedge Counterparty or a Receiver or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Security Asset and any officer, employee or agent of the Hedge Counterparty or a Receiver may rely on this sub-clause subject to sub-clause 1.2 (*Construction and Interpretation*) of the Debt Document and the provisions of the Third Parties Act.

14. Cumulative powers and avoidance of payments

14.1 *Cumulative powers*

The powers which this Deed confers on the Hedge Counterparty and any Receiver appointed under this Deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Hedge Counterparty or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Hedge Counterparty and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

14.2 *Amounts avoided*

If any amount paid by a Chargor in respect of the Secured Liabilities is capable of being avoided or set aside on the liquidation or administration of a Chargor or otherwise, then for the purposes of this Deed that amount shall not be considered to have been paid.

14.3 *Discharge conditional*

Any settlement or discharge between a Chargor and the Hedge Counterparty shall be conditional upon no security or payment to the Hedge Counterparty by a Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of the Hedge Counterparty under this Deed) the Hedge Counterparty shall be entitled to recover from each Chargor the value which the Hedge Counterparty has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

15. Ruling-off accounts

If the Hedge Counterparty receives notice of any subsequent Security or other interest affecting any of the Security Assets it may open a new account for each relevant Chargor in its books. If it does not do so then (unless it gives written notice to the contrary to the Chargors or any of them), as from the time it receives that notice, all payments made by the relevant Chargor to it (in the absence of any express appropriation to the contrary) shall be treated as having been

credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

16. Power of attorney

Each Chargor, by way of security, irrevocably and severally appoints each of the Hedge Counterparty and any Receiver as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Hedge Counterparty or any Receiver under this Deed or otherwise for any of the purposes of this Deed, and each Chargor covenants with each of the Hedge Counterparty and any Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.

17. Delegation

17.1 The Hedge Counterparty and any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested in it by or pursuant to this Deed.

17.2 That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Hedge Counterparty or any Receiver may, in its discretion, think fit in the interests of the Hedge Counterparty or any Receiver and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate.

18. Redemption of prior charges

The Hedge Counterparty may redeem any prior Security on or relating to any of the Security Assets or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargors. Each Chargor will on demand pay to the Hedge Counterparty all principal monies and interest and all losses incidental to any such redemption or transfer.

19. Miscellaneous

19.1 Assignment

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed. The Hedge Counterparty may assign and transfer all or any part of its rights and obligations under this Deed.

19.2 Counterparts

(a) 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.

(b) Failure by one or more Parties ("**Non-Signatories**") to execute this Deed on the date of this Deed will not invalidate the provisions of this Deed as between the other Parties who do execute this Deed. Any Non-Signatories may execute this Deed (or a counterpart of this Deed) on a subsequent date and will thereupon become bound by its provisions.

(c) If any one or more of the Chargors is not bound by any or all of the provisions of this Deed (whether by reason of lack of capacity, improper execution, failure to execute or for any other reason whatsoever) the remaining Chargors shall nonetheless continue to be bound as if such Chargor had never been a party.

19.3 **Covenant to release**

At the end of the Security Period, the Hedge Counterparty shall, at the request and cost of the Chargors, release the Security Assets from the security constituted by this Deed (including any assignment by way of security) by executing a release substantially in the form set out in Schedule 5 (*Form of Deed of Release*) with such amendments as the Hedge Counterparty may agree.

20. **Governing law**

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

21. **Jurisdiction**

21.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

21.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

21.3 This clause is for the benefit of the Hedge Counterparty only. As a result, the Hedge Counterparty shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Hedge Counterparty may take concurrent proceedings in any number of jurisdictions.

In witness this Deed is executed on the date appearing at the head of page 1.

Schedule 1

The Original Chargors

Name of Original Chargor	Jurisdiction of incorporation/formation (if applicable)	Registration number (if any)
J.H. Leeke and Sons Limited	England and Wales	05216515
Leekes Limited	England and Wales	00563751
Vale of Glamorgan Hotel Limited	England and Wales	03698783
Leekes Group Property Developments Limited	England and Wales	06332621
Park Furnishers (Bristol) Limited	England and Wales	01537076
Bottlers & Distillers (Wales) Limited	England and Wales	11306361

Schedule 2
Security Assets
Part 1
The Property

Chargor	Address or description of Property	Title Number (if registered)
Leekes Limited	The Freehold Land on the west side of Beanacre Road, Melksham	WT109761
Leekes Limited	The Land lying to the West of Beanacre Road, Melksham.	WT123698
Leekes Limited	The Freehold land lying to the North East of Meadows Road, Crosshands.	WA404852
Leekes Limited	The Freehold land lying to the North East of Meadows Road, Crosshands.	WA313109
Leekes Limited	The Freehold land and buildings on the east side of Cowbridge Road, Pontyclun	WA180955
Leekes Limited	The Freehold land lying to the south east of Cowbridge Road, Llantrisant.	WA279834
Leekes Limited	The Freehold land being Sovereign Yard, Cowbridge Road, Pontyclun.	CYM259135
Leekes Limited	The Freehold land and buildings on the west side of Treallaw Road, Tonypandy.	WA488893
Leekes Limited	The Freehold land and buildings on the South West side of Treallaw Road, Treallaw.	WA143231
Leekes Limited	The Freehold land on the north east side of Treallaw Road, Tonypandy.	CYM259133
Leekes Limited	The Leasehold land being Castle Industrial Estate, Mwyndy.	WA755587
Leekes Limited	The Freehold Land on the North West side of China Street, Fenton.	SF116832
Leekes Limited	The Freehold land on the North West side of China Street, Fenton.	SF116557
Leekes Limited	The Freehold land on the Northwest side of China Street, Fenton	SF349276
Leekes Limited	The Freehold land being 100 King Street, Fenton.	SF243271

Leekes Limited	The Freehold land being Cole Of Bilston Ltd, Great Bridge Road, Bilston (WV14 8LB).	WM59647
Vale of Glamorgan Hotel Limited	The Leasehold land being Vale of Glamorgan Hotel, Hensol.	WA915226
Vale of Glamorgan Hotel Limited	The Leasehold land being Vale of Glamorgan Golf Club, Hensol.	WA862461
Vale of Glamorgan Hotel Limited	The Leasehold land at Hensol, Pendoylan.	CYM70892
Vale of Glamorgan Hotel Limited	The Leasehold land being Vale of Glamorgan Leisure Club, Hensol.	WA915231
Vale of Glamorgan Hotel Limited	The Leasehold land at Hensol, Pendoylan.	CYM70880
Vale of Glamorgan Hotel Limited	The Freehold land and buildings known as Hensol Castle, Hensol, Pontyclun	CYM682380
Vale of Glamorgan Hotel Limited	The Leasehold land and building forming part of the Vale Golf Club, Hensol dated on the date of this Deed made between (1) Gerald Llewellyn Leeke, Diane Elizabeth Cook, Stuart Norman Leeke & Stephen Leeke and (2) Vale Of Glamorgan Hotel Limited and (2) for a term expiring on 13 June 2032.	Title number to be allocated by the Land Registry

Part 2

Shares

Chargor	Issuer of shares	Number and class of shares	Details of nominees (if any) holding legal title to shares
J.H. Leeke and Sons Limited	Leekes Limited	981,202 ordinary shares of £1.00 each	N/A
J.H. Leeke and Sons Limited	Leekes Group Property Developments Limited	1,000 ordinary shares of £1.00 each	N/A
J.H. Leeke and Sons Limited	Vale of Glamorgan Hotel Limited	22,500,000 ordinary shares of £1.00 each	N/A
Leekes Limited	Park Furnishers (Bristol) Limited	36 ordinary shares of £1.00 each	N/A
Vale of Glamorgan Hotel Limited	Bottlers & Distillers (Wales) Limited	375,000 A ordinary shares of £0.10 each	N/A

Part 3

Assigned Contracts

Chargor	Date of contract	Parties to contract	Details of contract
Intentionally left blank	Intentionally left blank	Intentionally left blank	Intentionally left blank

Schedule 3

Form of notices

Part 1

(Form of notice in relation to a Blocked Account or Other Account)

To: •[insert name and address of Blocked Account or Other Account provider] (the "**Account Bank**")

Dated: •

Dear Sirs

Re: •

We notify you that we have charged to HSBC Bank plc (the "**Hedge Counterparty**") all our right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice (the "**Blocked Accounts**") and to any other accounts from time to time that we maintain with you (the "**Other Accounts**") and to all interest (if any) accruing on the Blocked Accounts and the Other Accounts.

In this notice the Blocked Accounts and the Other Accounts are together referred to as the "**Charged Accounts**".

We irrevocably authorise and instruct you to:

- 1 disclose to the Hedge Counterparty any information relating to us and the Charged Accounts which the Hedge Counterparty may from time to time request you to provide;
- 2 comply with the terms of any written notice or instruction relating to any Blocked Account received by you from the Hedge Counterparty; and
- 3 pay or release any sum standing to the credit of any Blocked Account in accordance with the written instructions of the Hedge Counterparty.

We acknowledge that you may comply with the instructions in this notice without any further permission from us.

The instructions in this notice may not be revoked or amended without the prior written consent of the Hedge Counterparty.

Please sign and return the enclosed copy of this notice to the Hedge Counterparty (with a copy to us) by way of your confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you have not received notice that we have assigned or charged our rights to the monies standing to the credit of the Charged Accounts or otherwise granted any other interest over those monies in favour of any third party;
- (c) you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Blocked Accounts, except for the netting of credit and debit balances pursuant to current account netting arrangements previously approved in writing by the Hedge Counterparty;

- (d) you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Blocked Accounts;
- (e) you will not permit any amount to be withdrawn from any Blocked Account without the Hedge Counterparty's prior written consent; and
- (f) in respect of the Other Accounts and following the Hedge Counterparty notifying you that its security is enforceable, you will not permit any amount to be withdrawn from those Other Accounts without the Hedge Counterparty's prior written consent.

The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Schedule

Account Designation	Account Number	Sort Code

Yours faithfully

.....

for and on behalf of
[the relevant Chargor]

[On acknowledgement copy]

To: HSBC Bank plc

Copy to: [insert name of the relevant Chargor]

We acknowledge receipt of the above notice and the notifications therein, agree to abide by its terms and confirm the matters set out in paragraphs (a) to (f) (inclusive) of that notice.

.....

for and on behalf of
[Insert name of account provider]

Dated: ●

Part 2

(Form of notice to insurers)

To: •[insert name and address of insurer]

Dated: •

Dear Sirs

Re: [identify the relevant insurance policy[ies]] (the "Policy[ies]")

We notify you that we have assigned, by way of security, to HSBC Bank plc (the "**Hedge Counterparty**") all our right, title and interest in the Policy[ies] as security for certain obligations owed by us to the Hedge Counterparty.

We further notify you that:

- 1 you may continue to deal with us in relation to the Policy[ies] until you receive written notice to the contrary from the Hedge Counterparty. Thereafter, we will cease to have any right to deal with you in relation to the Policy[ies] and therefore from that time you should deal only with the Hedge Counterparty;
- 2 you are authorised to disclose information in relation to the Policy[ies] to the Hedge Counterparty on their request; and
- 3 the provisions of this notice may only be revoked or amended with the prior written consent of the Hedge Counterparty.

We will remain liable to perform all our obligations under the Policy[ies] and the Hedge Counterparty is under no obligation of any kind whatsoever under the Policy[ies] nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy[ies].

Please sign and return the enclosed copy of this notice to the Hedge Counterparty (with a copy to us) by way of confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you will not amend, waive or release any right, interest or benefit in relation to the Policy[ies] (or agree to do the same) without the prior written consent of the Hedge Counterparty;
- (c) the interest of the Hedge Counterparty as assignee has been noted against the Policy[ies] ;
- (d) after receipt of written notice in accordance with paragraph 1, you will pay all monies to which we are entitled under the Policy[ies] direct to the Hedge Counterparty (and not to us) unless the Hedge Counterparty otherwise agrees in writing;
- (e) you will notify the Hedge Counterparty if you propose to repudiate, rescind or cancel any Policy[ies], to treat [it/them] as avoided in whole or in part, to treat [it/them] as expired due to non-payment of premium or otherwise decline any valid claim under [it/them] by or on behalf of any insured party ;
- (f) you have not received notice that we have assigned or charged our rights under the Policy[ies] to a third party or created any other interest in the Policy[ies] in favour of a third party; and

- (g) you have not claimed or exercised nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Policy[ies].

The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....

for and on behalf of
[the relevant Chargor]

[On acknowledgement copy]

To: HSBC Bank plc

Copy to: •[the relevant Chargor]

We acknowledge receipt of the above notice and the notifications therein, agree to abide by its terms and confirm the matters set out in paragraphs (a) to (g) (inclusive) of that notice.

.....

for and on behalf of
•[insert name of insurer]

Dated: •

Part 3

(Form of notice in relation to Contracts)

To: [insert name and address of counterparty]

Dated: •

Dear Sirs

Re: [identify the relevant agreement] (the "Agreement")

We notify you that we have assigned, by way of security to HSBC Bank plc (the **"Hedge Counterparty"**) all our right, title and interest in the Agreement as security for certain obligations owed by us to the Hedge Counterparty.

We further notify you that:

- 1 you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Hedge Counterparty. Thereafter, we will cease to have any right to deal with you in relation to the Agreement and therefore, from that time, you should deal only with the Hedge Counterparty;
- 2 you are authorised to disclose information in relation to the Agreement to the Hedge Counterparty on request;
- 3 after receipt of written notice in accordance with paragraph 1, you must pay all monies to which we are entitled under the Agreement direct to the Hedge Counterparty (and not to us) unless the Hedge Counterparty otherwise agrees in writing; and
- 4 the provisions of this notice may only be revoked or amended with the prior written consent of the Hedge Counterparty.

Please sign and return the enclosed copy of this notice to the Hedge Counterparty (with a copy to us) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- (b) you will not amend in any way, waive or release any rights, interest or benefit in relation to the Agreement or terminate the Agreement without the prior written consent of the Hedge Counterparty;
- (c) you have not received notice that we have assigned or charged our rights under the Agreement to a third party or created any other interest in the Agreement in favour of a third party; and
- (d) you have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us any right of set-off, counter-claim or other right relating to the Agreement.

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

Yours faithfully

.....

for and on behalf of
[*the relevant Chargor*]

[On acknowledgement copy]

To: HSBC Bank plc

Copy to: [*the relevant Chargor*]

We acknowledge receipt of the above notice and the notifications therein, agree to abide by its terms and confirm the matters set out in paragraphs (a) to (d) (inclusive) of that notice.

.....

for and on behalf of
[*insert name of counterparty*]

Dated: ●

Schedule 4

Form of Accession Deed

This Accession Deed is made on

20●●

Between:

- (1) ● **Limited** (company number: ●) whose registered office is at ● (the "**New Chargor**"); and
- (2) **HSBC Bank plc** (the "**Hedge Counterparty**"),

and is supplemental to a Cross-Guarantee and Debenture granted by J.H. Leeke and Sons Limited and the other Chargors referred to therein in favour of the Hedge Counterparty on ● 2021 (the "**Debenture**").

This Accession Deed witnesses as follows:

1 Definitions and interpretation

1.1 Unless a contrary intention appears, words and expressions defined in the Debenture shall have the same meaning in this Accession Deed and sub-clause 1.2 (*Construction*) of the Debenture shall apply to this Accession Deed.

1.2 In this Deed, unless the context otherwise requires, the following definitions shall apply:

"Accession Shares" means:

- (a) the shares described in Part 2 (*Shares*) of the schedule to this Accession Deed;
- (b) all Derivative Assets in relation to the shares referred to in paragraph (a); and
- (c) all Related Rights in respect of paragraphs (a) to (b) (inclusive).

"Assigned Contract" means each contract specified in Part 3 (*Assigned Contracts*) of the schedule to this Accession Deed.

"Blocked Accounts" means [*insert description*].

2 Confirmation

The New Chargor confirms it has read and understood the content of the Debenture.

3 Accession

With effect from the date of this Accession Deed, the New Chargor becomes a party to, and will be bound by the terms of, and assume the obligations and duties of a Chargor under, the Debenture as if it had been an Original Chargor .

4 Security

4.1 Without prejudice to the generality of clause 3 (*Accession*), the New Chargor with full title guarantee in favour of the Hedge Counterparty:

- (a) charges by way of legal mortgage, all of the Property described in Part 1 (*The Property*) of the schedule to this Accession Deed;
- (b) charges by way of first fixed charge:

- (i) all Property not effectively mortgaged by sub-clause 4.1(a);
 - (ii) all fixed and permanent Plant and Machinery;
 - (iii) all Plant and Machinery not effectively charged by sub-clause 4.1(b)(ii);
 - (iv) all Accession Shares;
 - (v) all Debts;
 - (vi) all Blocked Accounts;
 - (vii) all Other Accounts;
 - (viii) all Investments not effectively charged by sub-clause 4.1(b)(iv);
 - (ix) all Intellectual Property Rights;
 - (x) any VAT which it is entitled to recover and any other tax refund, rebate or repayment and any sums so received;
 - (xi) its goodwill and uncalled capital;
 - (xii) any Charged Agreements; and
 - (xiii) if not effectively assigned by sub-clause 4.1(c), all its rights and interests in (and claims under) the assets described in sub-clause 4.1(c);
- (c) by way of assignment by way of security:
- (i) all Insurances and Insurance Proceeds;
 - (ii) any Assigned Contract; [and]
 - (iii) [*describe any other assets which are expressly stated to be assigned*]; and
- (d) by way of first floating charge, all its undertaking and all its present and future assets other than those assets which are effectively charged by way of first fixed charge or legal mortgage under sub-clauses 4.1(a) or 4.1(b) or which are effectively assigned by way of security under sub-clause 4.1(c).

4.2 The floating charge created by sub-clause 4.1(d) (*Security*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act.

5 **Construction**

Save as specifically varied in respect of the New Chargor only, the Debenture shall continue and remain in full force and effect and this Accession Deed shall be read and construed as one with the Debenture so that all references to "**this Deed**" in the Debenture shall include reference to this Accession Deed.

6 **Governing Law**

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

In witness this Accession Deed is executed on the date appearing at the head of page 1.

[Add signature blocks after Schedule]

Schedule to Accession Deed

Part 1

Property

Chargor	Address or Description of Property	Title Number (if registered)

Part 2

Shares

Chargor	Issuer of shares	Number and class of shares	Details of nominees (if any) holding legal title to shares

Part 3

Assigned Contracts

Name of Chargor	Date of contract	Parties to contract	Details of contract

Schedule 5

Form of Deed of Release

This Deed of Release is made on

20●●

Between:

- (1) **HSBC Bank plc** (the "**Hedge Counterparty**"); and
- (2) ● (company number ●) whose registered office is at ● (the "**Chargor[s]**").

It is agreed as follows:

- 1 Capitalised terms used but not otherwise defined in this Deed have the meaning ascribed to them by the cross-guarantee and debenture granted by the Chargor[s] to the Hedge Counterparty on ● (the "**Debenture**").
- 2 The Hedge Counterparty:
 - 2.1 releases all and any Security (including any assignment by way of security) created by, or evidenced in, the Debenture (together the "**Security Interests**"); and
 - 2.2 releases the Chargor[s] from the guarantee contained in the Debenture.
- 3 The Hedge Counterparty agrees, subject to its costs for so doing being fully indemnified by the Chargor[s], to execute such other documents for the release of the Security Interests as the Chargor[s] may reasonably require, including, without limitation, notices of reassignment and Land Registry Forms.
- 4 This Deed and any non-contractual obligations arising out of or in connection with it are governed by English Law.

In witness this Deed is executed on the date appearing at the head of page 1.

[Add signature blocks]

NOTE: this deed of release is intended to provide a simple template for the Hedge Counterparty to execute on redemption of the secured liabilities without needing to take additional legal advice at such time should it choose not to. It cannot therefore be negotiated until the time of release, at which point the Hedge Counterparty will consider any proposed amendments from the Chargors.

Schedule 6

Guarantee Provisions

1 Continuing guarantee

This guarantee set out in this Deed (the "**Guarantee**") is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor to the Hedge Counterparty, regardless of any intermediate payment or discharge in whole or in part.

2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by the Hedge Counterparty in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under the Guarantee will continue or be reinstated as if the discharge, release or arrangement had not occurred.

3 Waiver of defences

The obligations of each Chargor under the Guarantee will not be affected by an act, omission, matter or thing which, but for this Schedule 6, would reduce, release or prejudice any of its obligations under the Guarantee (without limitation and whether or not known to it or the Hedge Counterparty) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of such person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any document constituting all or part of the Secured Liabilities or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any such document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any document or security; or
- (g) any insolvency or similar proceedings.

4 Immediate recourse

Each Chargor waives any right it may have of first requiring the Hedge Counterparty (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Deed. This waiver applies irrespective of any law or any provision of any document to the contrary.

5 Appropriations

Until all the Secured Liabilities have been irrevocably paid in full, the Hedge Counterparty (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Hedge Counterparty (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under the Guarantee.

6 Deferral of rights

Until all amounts which may be or become payable by the Obligor under or in connection with the Secured Liabilities have been irrevocably paid in full and unless the Hedge Counterparty otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising, under the Guarantee:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any other guarantor of any Obligor's obligations to the Hedge Counterparty;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Hedge Counterparty under this Deed or of any other guarantee or security held by the Hedge Counterparty;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Chargor has given a guarantee, undertaking or indemnity under the Guarantee;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with the Hedge Counterparty.

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Hedge Counterparty by the Obligor in respect of the Secured Liabilities to be repaid in full on trust for the Hedge Counterparty and shall promptly pay or transfer the same to the Hedge Counterparty or as the Hedge Counterparty may direct for application against the Secured Liabilities.

7 Additional security

The Guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Hedge Counterparty.

8 Payments

All sums payable by a Chargor under the Guarantee shall be paid in full to the Hedge Counterparty in the currency in which the relevant Secured Liabilities are payable:

- (a) without any set-off, condition or counterclaim whatsoever; and

- (b) free and clear of any deductions or withholdings whatsoever except as may be required by law or regulation which is binding on the relevant Chargor.

If any deduction or withholding is required by any law or regulation to be made by a Chargor, the amount of the payment due from the relevant Chargor shall be increased to an amount which (after making any deduction or withholding) leaves an amount equal to the payment which would have been due if no deduction or withholding had been required.

9 Discontinuance of liability

Any Chargor may discontinue its liability in under this Deed by written notice to the Hedge Counterparty which discontinuance shall take effect with effect from the date (the "**Discontinuance Date**") falling three calendar months after the notice is actually received by the Hedge Counterparty. Notwithstanding any notice of discontinuance given under this paragraph 9, the liability of the relevant Chargor under this Deed shall continue in full force and effect in relation to all Secured Liabilities which:

- (a) have become due on or before the Discontinuance Date; and
- (b) may become due, owing or incurred by an Obligor to the Hedge Counterparty pursuant to any transaction, dealing commitment or other engagement entered into or effected either:
 - (i) prior to the Discontinuance Date; or
 - (ii) on or after the Discontinuance Date pursuant to any commitment, expressed or implied, assumed or undertaken by the Hedge Counterparty to a Chargor prior to the Discontinuance Date.

10 Release of right of contribution

If any Chargor (a "**Retiring Chargor**") ceases to be a Chargor for the purpose of any sale or other disposal of that Retiring Chargor or otherwise with the written approval of the Hedge Counterparty then on the date such Retiring Chargor ceases to be a Chargor:

- (a) that Retiring Chargor is released by each other Chargor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Chargor arising by reason of the performance by any other Chargor of its obligations under this Deed; and
- (b) each other Chargor waives any rights it may have by reason of the performance of its obligations under this Deed to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Hedge Counterparty under this Deed or of any other security held by the Hedge Counterparty where such rights or security are granted by or in relation to the assets of the Retiring Chargor.

Schedule 7

Powers of Receiver

1 Possession

Take immediate possession of, get in and collect the Security Assets or any part thereof.

2 Carry on business

Carry on, manage or concur in carrying on or managing the whole or any part of the business of any Chargor as he in his discretion may think fit.

3 Protection of assets

- (a) Manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Security Assets or concur in so doing;
- (b) commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on the Property;
- (c) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

4 Realisation of assets

Sell, exchange, convert into money and realise the Security Assets or concur in so doing by public auction or private contract and generally in such manner and on such terms as he in his discretion may think fit. Without prejudice to the generality of the foregoing, he may do any of these things for any valuable consideration, whether full market value or otherwise, including, without limitation, cash, shares, stock, debentures or other obligations. Any such consideration may be payable in a lump sum or by instalments spread over such period as he in his discretion may think fit.

5 Let, hire or lease

- (a) Let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- (d) grant rights, options or easements over and otherwise deal with or dispose of, and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets;
- (e) exchange or concur in exchanging the Security Assets;

in each such case in such manner and generally on such terms as he may in his discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the relevant Chargor or otherwise.

6 Registration

Use a Chargor's name to effect any registration or election for tax or other purposes.

7 **Insurances**

Effect, review or vary insurances.

8 **Borrowing**

For the purpose of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, to raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the Security created by this Deed or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.

9 **Lending**

Lend money to any person.

10 **Advance credit**

Advance credit, in the ordinary course of a Chargor's business, to any person.

11 **Make calls**

Make, or require the directors of any Chargor to make, such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of that Chargor or the Receiver as the Receiver in his direction may think fit) or otherwise.

12 **Compromise**

- (a) Settle or compromise any claim by, adjust any account with, refer to arbitration any dispute with, and deal with any question or demand from, any person who is, or claims to be, a creditor of any Chargor, as he may in his discretion think fit; and
- (f) settle or compromise any claim, adjust any account, refer to arbitration any dispute and deal with any question or demand relating in any way to the Security Assets, as he in his discretion may think fit.

13 **Proceedings**

In the name of any Chargor, bring, prosecute, enforce, defend or abandon all such actions, suits and proceedings in relation to the Security Assets as he in his discretion may think fit.

14 **Subsidiaries**

- (a) Promote the formation of any subsidiary of any Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- (b) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and

- (c) arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit;

15 Employees

Appoint and discharge any manager, officer, agent, professional adviser, employee and any other person, upon such terms as he in his discretion may think fit.

16 Receipts

Give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Security Assets.

17 Delegation

Delegate any or all of his powers in accordance with this Deed.

Signatories to Debenture

Original Chargors

Executed as a deed by

J.H. Leeke and Sons Limited
acting by a director
in the presence of:

Director

Signature of witness: _____

Name: *Matthew Leake*

Address: _____

Occupation: *Accountant*

Notice details

Address: Leekes, Mwyndy Business Park, Mwyndy, Pontyclun, Mid Glamorgan, CF72 8PN
Fax/email: mfowler@leekes.co.uk
Attention: Mike Fowler, Group Finance Director

Executed as a deed by

Leekes Limited
acting by a director
in the presence of:

Director

Signature of witness:

Name: *Matthew Leake*

Address:

Occupation: *Accountant*

Notice details

Address: Leekes, Mwyndy Business Park, Mwyndy, Pontyclun, Mid Glamorgan, CF72 8PN

Fax/email: mfowler@leekes.co.uk

Attention: Mike Fowler, Group Finance Director

Executed as a deed by

Vale of Glamorgan Hotel Limited
acting by a director
in the presence of:

Director

Signature of witness:

Name: Matthew Leake

Address:

Occupation: Accountant

Notice details

Address: Leekes, Mwyndy Business Park, Mwyndy, Pontyclun, Mid Glamorgan, CF72 8PN

Fax/email: mfowler@leekes.co.uk

Attention: Mike Fowler, Group Finance Director

Executed as a deed by

**Leekes Group Property
Developments Limited**
acting by a director
in the presence of:


Director

Signature of witness:

Name: *Matthew Leake*

Address:

Occupation: *Accountant*

Notice details

Address: Leekes, Mwyndy Business Park, Mwyndy, Pontyclun, Mid Glamorgan, CF72 8PN

Fax/email: mfowler@leekes.co.uk

Attention: Mike Fowler, Group Finance Director

Executed as a deed by

Park Furnishers (Bristol) Limited
acting by a director
in the presence of:

Director

Signature of witness:

Name: *Matthew Leek*

Address:

Occupation: *Accountant*

Notice details

Address: Leekes, Mwyndy Business Park, Mwyndy, Pontyclun, Mid Glamorgan, CF72 8PN

Fax/email: mfowler@leekes.co.uk

Attention: Mike Fowler, Group Finance Director

Executed as a deed by

**BOTTLERS & DISTILLERS (WALES)
LIMITED**

acting by a director
in the presence of:


Director

Signature of witness:

Name: *Matthew Leake*

Address:

Occupation: *Accountant*

Notice details

Address: Leekes, Mwyndy Business Park, Mwyndy, Pontyclun, Mid Glamorgan, CF72 8PN
Fax/email: mfowler@leekes.co.uk
Attention: Mike Fowler, Group Finance Director

Hedge Counterparty

Signed by Jurgen TULKENS

authorised signatory

for and on behalf of

HSBC Bank plc

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)
)
)



Notice Details

Address: 8 Canada Square, London, E14 5HQ

Fax/email: hsbc.master.agreement.notices@hsbc.com

Attention: Global Banking and Markets Legal – General Counsel