



Registration of a Charge

Company name: **CHARTERSTAR LIMITED**

Company number: **05890218**

Received for Electronic Filing: **05/08/2020**



X9ASSAUW

Details of Charge

Date of creation: **31/07/2020**

Charge code: **0589 0218 0011**

Persons entitled: **HSBC UK BANK PLC (AS SECURITY AGENT)**

Brief description: **THE LEASEHOLD LAND KNOWN AS FORSET COURT, 140 EDGWARE ROAD, LONDON W2 2RE (HEADLEASE INTEREST). FOR FURTHER DETAILS, PLEASE REFER TO THE ATTACHED DEED.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT 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:

PINSENT MASONS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5890218

Charge code: 0589 0218 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st July 2020 and created by CHARTERSTAR LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th August 2020 .

Given at Companies House, Cardiff on 6th August 2020

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

DATED 31 July 2020

(1) THE CHARGORS

(2) HSBC UK BANK PLC
(AS SECURITY AGENT)

DEBENTURE

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THIS DEBENTURE is made on

31 July

2020

BETWEEN:-

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 2 (each a "**Chargor**" and together the "**Chargors**"); and
- (2) **HSBC UK BANK PLC** (the "**Security Agent**") as agent and trustee for itself and each of the Secured Parties (as defined below).

INTRODUCTION

- (A) The Secured Parties have agreed to make credit facilities available to the Chargors on the terms and conditions set out in the Facilities Agreement.
- (B) The Chargors have agreed to enter into this Debenture to provide Security over their assets to the Security Agent to hold on trust for itself and the other Secured Parties.

THIS DEED WITNESSES as follows:-

1. INTERPRETATION

1.1 Definitions

In this Debenture:-

"Account" means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts

"Assigned Contracts" means:-

- (a) means the management agreement dated 7 May 2010 (as amended on 31 March 2011 and by way of a side letter dated on or around the date of this Debenture) between, (1) the Chargors, (2) Residential Land Management 2 Limited, and (3) Prime London Residential Limited (as amended from time to time); and
- (b) the conditional contract dated 9 November 2016 entered into between (1) Luckysix Limited and (2) Berkeley Homes (Central London) Limited and Berkeley Homes PLC (as amended by a supplemental agreement dated 7 December 2016 and by a second supplemental agreement dated 21 December 2016 and by a third supplemental agreement dated 6 November 2019 and by a fourth supplemental agreement dated 17 June 2020).

"Assigned Hedging Agreement" means any Hedging Agreement other than a Charged Hedging Agreement

"Charged Hedging" means any Hedging Agreement entered into by any

"Agreement"	Chargor with the Security Agent
"Charged Property"	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of the Security Agent by or pursuant to this Debenture
"Default Rate"	means the rate specified in clause 8.4 (<i>Default interest</i>) of the Facilities Agreement
"Enforcement Action"	<p>means, in accordance with Clause 25.16 (<i>Acceleration</i>) of the Facilities Agreement:-</p> <ul style="list-style-type: none"> (a) the acceleration of any Secured Liabilities or any declaration that any Secured Liabilities are prematurely due and payable or payable on demand (b) the taking of any steps to enforce or require the enforcement of this Debenture (including the crystallisation of any floating charge) (c) the making of any demand against any Chargor in relation to any guarantee, indemnity or other assurance against loss in respect of any Secured Liabilities (d) the exercise of any right of set-off against any Chargor in respect of any Secured Liabilities excluding any right of set off under a netting arrangement with that Chargor's clearing bank (e) the suing for, commencing or joining of any legal or arbitration proceedings against any Chargor to recover any Secured Liabilities or (f) the petitioning, applying or voting for, or the taking of any steps which may lead to any administration, winding-up, insolvency or dissolution of or in relation to any Chargor
"Enforcement Date"	means the date on which the Security Agent first takes Enforcement Action
"Facilities Agreement"	<p>means the facilities agreement dated 20 October 2015 made between, (1) Prime London Residential Limited (as Company), (2) the companies listed in schedule 1 to that agreement (as Original Borrowers), (3) the companies listed in schedule 1 to that agreement (as Original Guarantors), (4) HSBC UK Bank plc (as Original Lender, Agent and Security Agent) and (5) HSBC Bank plc (as Original Hedge Counterparty) as amended and restated pursuant to an amendment and restatement agreement dated 30 September 2016, as amended by an amendment agreement dated 22 December 2016, as further amended and restated by an amendment and restatement agreement dated 13 September 2018 and as further amended and restated pursuant to an amendment and restatement agreement dated on or about the date of this Debenture</p>

"Finance Documents"	has the meaning provided for that term in the Facilities Agreement
"Fixed Plant and Equipment"	means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of each Chargor of any kind which does not for any reason constitute a Fixture, but is now or at any time directly or indirectly attached by any means and for any purpose to any land or building, whether or not it is removable or intended to form part of the land or building
"Fixtures"	means all things of any kind now or at any time affixed to the Land for any purpose, but excluding any trade and tenants fixtures
"Insurances"	means any contracts and policies of insurance or assurance (excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties) taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest and all claims and rebates of premium under any such contract or policy
"Intellectual Property"	<p>means any of the following:-</p> <ul style="list-style-type: none"> (c) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (d) any brand and trade names, domain names, invention, copyright, design right or performance right; (e) any trade secrets, database right, know-how and confidential information; and (f) the benefit of any agreement or licence for the use of any such right, <p>and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest</p>
"Land"	has the meaning given to that term in section 205(1) of the LPA but for these purposes "Land" excludes heritable property situated in Scotland
"Loose Plant and Equipment"	means, in relation to each Chargor, all plant, machinery, equipment and motor vehicles now or at any time

"Equipment"	owned by such Chargor as a capital asset which is not Fixed Plant and Equipment
"LPA"	means the Law of Property Act 1925
"Monetary Claims"	means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt
"Notice of Assignment"	means a notice of assignment in such form as may be specified by the Security Agent (acting reasonably), or in the case of Assigned Contracts a notice in the form set out in Schedule 4 (<i>Form of notice of assignment of Assigned Contract</i>) addressed to the relevant counterparty
"Notice of Charge"	means a notice of charge in such form as may be specified by the Security Agent (acting reasonably)
"Receiver"	means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Debenture or any statute, by a court or otherwise) of the whole or any part of the Charged Property
"Regulations"	means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements
"Related Rights"	<p>means in relation to any Charged Property</p> <ul style="list-style-type: none"> (a) the proceeds of sale of any part of that Charged Property (b) all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that Charged Property and (d) any moneys and proceeds paid or payable in respect of that Charged Property
"Secured Liabilities"	means all present and future liabilities and obligations of any Obligor and/or the Company to any Secured Party under or in connection with the Finance Documents (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever)

"Secured Parties"	has the meaning provided for in the Facilities Agreement
"Securities"	means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the Regulations) including those held via a nominee, trustee or clearing system
"Security"	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
"Shares"	means:- <ul style="list-style-type: none"> (a) all of the shares in the capital of each of the companies specified in Schedule 3 (<i>Details of Shares</i>); and (b) any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Debenture, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement shall have the same meanings in this Debenture.

1.3 Interpretation

1.3.1 The principles of interpretation set out in clauses 1.2 (*Construction*) and 1.3 (*Currency symbols and definitions*) of the Facilities Agreement shall apply to this Debenture insofar as they are relevant to it.

1.3.2 Unless the context otherwise requires, a reference to a "**Finance Document**" or any other agreement, deed or instrument is a reference to that Finance Document or other agreement, deed or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Finance Document or other agreement, deed or instrument and includes any increase in, extension of or change to any facility made available under that Finance Document or other agreement, deed or instrument.

1.4 Acknowledgement

Each Chargor acknowledges that the Security Agent enters into this Debenture for itself and as trustee for the Secured Parties who shall be entitled to the full benefit of this Debenture.

1.5 Effect as a deed

This Debenture shall take effect as a deed even if it is executed under hand on behalf of the Security Agent.

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

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Debenture to the extent required to ensure that any purported disposition of an interest in Land contained in this Debenture is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.7 **Third party rights**

1.7.1 Each Secured Party, any Receiver and their respective officers, employees and agents may enforce any term of this Debenture which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture.

1.7.2 Notwithstanding any term of any Finance Document, the Parties may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Debenture without the consent of any person who is not a Party.

1.8 **Nominees**

If the Security Agent causes or requires Shares or any other asset to be registered in the name of its nominee, any reference in this Debenture to the Security Agent shall, if the context permits or requires, be construed as a reference to the Security Agent and its nominee.

2. **COVENANT TO PAY**

2.1 **Secured Liabilities**

Each Chargor covenants that it will on written demand of the Security Agent pay and discharge any or all of the Secured Liabilities at the times and in the manner provided in the relevant Finance Document.

2.2 **Interest**

Each Chargor covenants to pay interest at the Default Rate to the Security Agent on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) (an "**Unpaid Amount**") from the due date of such Unpaid Amount until payment (both before and after judgment) provided that if interest is charged on an Unpaid Amount at the Default Rate under the terms of the Facilities Agreement there shall be no duplication of such default interest on that Unpaid Amount under this clause.

3. **CHARGES**

3.1 **Mortgages and Fixed Charges**

As a continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Security Agent all its right, title and interest from time to time in each of the following assets:-

3.1.1 by way of first legal mortgage all Land which is described in Schedule 1 (*Details of Land*) (if any);

3.1.2 by way of first fixed charge:

(a) all Land vested in any Chargor on the date of this Debenture to the extent not effectively charged by Clause 3.1.1;

- (b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land; and
 - (c) all Land acquired by any Chargor after the date of this Debenture;
- 3.1.3 by way of mortgage or (if or to the extent that this Debenture does not take effect as a mortgage) by way of first fixed charge the Shares and all Related Rights under or in connection with the Shares;
- 3.1.4 by way of mortgage or (if or to the extent that this Debenture does not take effect as a mortgage) by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities;
- 3.1.5 by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property;
- 3.1.6 by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims;
- 3.1.7 by way of first fixed charge the Fixed Plant and Equipment and all Related Rights under or in connection with the Fixed Plant and Equipment;
- 3.1.8 by way of first fixed charge the Loose Plant and Equipment and all Related Rights under or in connection with the Loose Plant and Equipment;
- 3.1.9 by way of first fixed charge all amounts standing to the credit of the Accounts and all Related Rights under or in connection with the Accounts;
- 3.1.10 by way of first fixed charge
 - (a) the benefit of any Charged Hedging Agreements; and
 - (b) all Related Rights under or in connection with the Charged Hedging Agreements;
- 3.1.11 by way of first fixed charge to the extent not assigned or effectively assigned by Clause 3.3 (*Assignments*), the Insurances, and other agreements and all Related Rights in respect of such Charged Property; and
- 3.1.12 by way of first fixed charge its present and future goodwill and uncalled capital.

3.2 **Floating Charge**

As continuing security for payment of the Secured Liabilities, each Chargor with full title guarantee charges by way of first floating charge the whole of such Chargor's business, undertaking and assets, present and future and wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Debenture, including without limitation any heritable property in Scotland.

3.3 **Assignments**

As continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee assigns by way of security in favour of the Security Agent, but subject to the right of such Chargor to redeem such assignment upon the full payment or discharge of the Secured Liabilities, its right, title and interest from time to time in each of the following assets:-

- 3.3.1 the Insurances;

- 3.3.2 the Assigned Contracts;
- 3.3.3 any Assigned Hedging Agreements; and
- 3.3.4 all rights under any agreement to which it is a party and which is not mortgaged or charged under Clause 3.1 (*Mortgages and Fixed Charges*),

together with all Related Rights in respect of such Charged Property, provided that each Chargor is entitled until the occurrence of an Event of Default that is continuing to exercise all rights assigned under this Clause 3.3 (*Assignments*) (subject to the terms of the Finance Documents) and the Security Agent will promptly reassign any such rights to the extent necessary to enable such Chargor to do so.

3.4 **Trust**

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the relevant Chargor shall hold it on trust for the Security Agent and take such steps as the Security Agent may reasonably require to remove the impediment to assignment or charging it.

3.5 **Qualifying floating charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Debenture.

3.6 **Nature of Security created**

The Security created under this Debenture is created:

- 3.6.1 as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities;
- 3.6.2 in favour of the Security Agent as trustee for the Secured Parties; and
- 3.6.3 with full title guarantee.

4. **CRYSTALLISATION OF FLOATING CHARGE**

4.1 **Crystallisation: By Notice**

- 4.1.1 The Security Agent may subject to Clause 4.3 (*Crystallisation: Moratorium where directors propose voluntary arrangement*) at any time by notice in writing to the relevant Chargor convert the floating charge created by Clause 3.2 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:-

- (a) the Enforcement Date has occurred;
- (b) the Security Agent considers in good faith that any of the Charged Property is in jeopardy or in danger of being seized or sold pursuant to any form of legal process other than as expressly permitted under the Facilities Agreement; or
- (c) the Security Agent considers in good faith that it is necessary in order to protect the priority of the Security created by or pursuant to this Debenture.

- 4.1.2 If no specific assets subject to the floating charge in Clause 3.2 (*Floating charge*) are identified in the notice referred to in Clause 4.1 (*Crystallisation:*

By Notice) then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.2 (*Floating charge*).

4.2 **Crystallisation: Automatic**

The floating charge created by Clause 3.2 (*Floating Charge*) subject to Clause 4.4 (*Crystallisation: Moratorium where directors propose voluntary arrangement*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets of that Chargor subject to the floating charge if:-

- 4.2.1 any Chargor creates or attempts to create any Security (other than as permitted pursuant to the terms of the Finance Documents) over any of the Charged Property; or
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
- 4.2.3 if the Security Agent receives notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 if any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of any Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 in any other circumstance provided by law.

4.3 **Assets acquired post-crystallisation**

Any assets acquired by a Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.2 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by the Chargor at the date of crystallisation.

4.4 **Crystallisation: Moratorium where directors propose voluntary arrangement**

The floating charge created by Clause 3.2 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:-

- 4.4.1 the obtaining of a moratorium; or
 - 4.4.2 anything done with a view to obtaining a moratorium,
- under Schedule A1 to the Insolvency Act 1986.

4.5 **Partial crystallisation**

The giving of a notice by the Security Agent pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent to serve similar notices in respect of any other class of assets or of any other right of the Security Agent and/or the Secured Parties.

4.6 **Reconversion**

Any charge which has crystallised under Clause 4.1 (*Crystallisation: By Notice*) or Clause 4.2 (*Crystallisation: Automatic*) may at any time, by notice in writing from the

Security Agent to the relevant Chargor, be reconverted into a floating charge in relation to the property or asset specified in such notice.

5. PERFECTION OF SECURITY

5.1 Notices of Assignment

The Chargors shall deliver to the Security Agent (or procure delivery of) Notices of Assignment duly executed by, or on behalf of, the applicable Chargors:-

- 5.1.1 in respect of the Assigned Hedging Agreements, on the date of this Debenture and promptly upon entering into any further Assigned Hedging Agreement after the date of this Debenture;
- 5.1.2 in respect of the Assigned Contracts, on the date of this Debenture;
- 5.1.3 in respect of the Insurances taken out by or on behalf of any Chargor, on the date of this Debenture and promptly upon purchasing any further Insurance taken out by or on behalf of any Chargor after the date of this Debenture; and
- 5.1.4 in respect of any other asset which is the subject of an assignment pursuant to Clause 3.3 (*Assignments*), promptly upon the reasonable request of the Security Agent from time to time,

and in each case shall use all reasonable endeavours to procure that each notice is acknowledged by the party to whom such Notice of Assignment is addressed.

5.2 Notices of Charge

- 5.2.1 Subject to Clause 5.2.2, the Chargors shall promptly deliver to the Security Agent (or procure delivery of) notices of charge (in form and substance satisfactory to the Security Agent) duly executed by, or on behalf of, the applicable Chargor and acknowledged by each of the banks or financial institutions with which any of the Accounts are opened or maintained.
- 5.2.2 The execution of this Debenture by the Chargors and the Security Agent shall constitute notice to the Security Agent of the charge created over any Account opened or maintained with the Security Agent.

5.3 Delivery of Documents of Title

The Chargors shall promptly upon the execution of this Debenture (or, if later, upon receipt or entitlement thereof), deposit with the Security Agent and the Security Agent during the continuance of this security shall be entitled to hold all deeds, certificates and other documents of title relating to Land, the Securities, the Shares and the Insurances. In the case of the Securities and Shares, the Chargors shall also deliver such stock transfer forms or other instruments of transfer (stamped and executed in blank by the applicable Chargor) as the Security Agent may reasonably request.

5.4 Application to the Land Registry

Each Chargor and the Security Agent apply to the Land Registry for the following to be entered into on the register of the title to any Land now or in the future owned by it:-

- 5.4.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a

written consent signed by the proprietor for the time being of the charge dated [*insert date of charge*] in favour of HSBC UK Bank plc referred to in the charges register (Form P)".

5.4.2 a notice that:-

"HSBC UK Bank plc is under an obligation to make further advances."

6. FURTHER ASSURANCE

6.1 General

6.1.1 Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

- (a) to perfect the Security created or intended to be created under or evidenced by this Debenture (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law;
- (b) to confer on the Security Agent or confer on the Finance Parties Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Debenture; and/or
- (c) to facilitate the realisation of the assets which are, or are intended to be, the subject to this Debenture.

6.1.2 Each Chargor shall take all such action as is available to it (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 Security Agent or the Finance Parties by or pursuant to this Debenture.

7. RESTRICTIONS ON DEALING

7.1 Negative Pledge

Each Chargor undertakes that it shall not, at any time during the subsistence of this Debenture, create or permit to subsist any Security over all or any part of the Charged Property, except as expressly permitted under the terms of the Finance Documents.

7.2 Disposals

Each Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture, except as expressly permitted under the terms of the Finance Documents, sell, transfer, assign, lease or hire out, factor, discount, licence, lend, part with its interest in or otherwise dispose of any of the Charged Property or permit the same to occur, or agree to do any of the foregoing, provided that, until:-

- 7.2.1 the floating charge created by Clause 3.2 (*Floating Charge*) is converted into a fixed charge; or

7.2.2 the occurrence of the Enforcement Date,

the Chargors may hold, enjoy and deal with, in accordance with the Finance Documents, the Charged Property which is not at the relevant time expressed to be subject to a fixed charge or mortgage.

8. SHARES AND SECURITIES

8.1 Shares: before the Enforcement Date

Prior to the occurrence of the Enforcement Date, the Chargors shall:-

8.1.1 pay all dividends, interest and other moneys arising from the Shares into an Account; and

8.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Finance Documents;

in accordance with the terms of the Finance Documents.

8.2 Shares: after the Enforcement Date

After the occurrence of the Enforcement Date, the Security Agent may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

8.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;

8.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 15 (*Application of Moneys*);

8.2.3 transfer the Shares into its name or the name of its nominee(s); and

8.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Charged Property, to concur or participate in:-

(a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);

(b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and

(c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Security Agent may think fit, and the proceeds of any such action shall form part of the Charged Property.

8.3 Securities: Before Enforcement Date

Prior to the occurrence of the Enforcement Date, the Chargors shall:-

8.3.1 deal with all dividends, interest and other monies arising from the Securities; and

8.3.2 exercise all voting rights in relation to the Securities for any purpose,
in accordance with the terms of the Finance Documents.

8.4 Securities: After Enforcement Date

After the occurrence of the Enforcement Date, the Security Agent may at its discretion (in the name of a Chargor or otherwise and without any further consent or authority from that Chargor):-

- 8.4.1 exercise (or refrain from exercising) any voting rights in respect of the Securities;
- 8.4.2 apply all dividends, interest and other monies arising from the Securities in accordance with Clause 15 (*Application of Moneys*);
- 8.4.3 transfer the Securities into the name of such nominee(s) of the Security Agent as it shall require; and
- 8.4.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities,

in each case, in such manner and on such terms as the Security Agent may think fit and the proceeds of any such action shall form part of the Charged Property.

8.5 Securities and Shares: Payment of Calls

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, the Security Agent may, if it thinks fit (acting reasonably), make such payment on behalf of such Chargor in which case any sums paid by the Security Agent shall be reimbursed by the Chargor to the Security Agent in accordance with the Facilities Agreement on demand and shall carry interest from the date of payment by the Security Agent until reimbursed at the rate notified to the Chargor by the Security Agent.

8.6 Securities: Exercise of Rights

Except as permitted under the terms of the Finance Documents, the Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Security Agent, would prejudice the effectiveness of, or the ability of the Security Agent to realise, the security created by or pursuant to this Debenture.

9. ASSIGNED HEDGING AGREEMENTS

9.1 Each Chargor shall:-

- 9.1.1 deliver to the Security Agent, promptly following execution of the same, such documents relating to the Assigned Hedging Agreements as the Security Agent may reasonably require;
- 9.1.2 perform all its obligations under the Assigned Hedging Agreements in a diligent and timely manner; and
- 9.1.3 notify the Security Agent of any breach of or default under an Assigned Hedging Agreement by it or any other party and any right that arises entitling it or any other party to terminate or rescind an Assigned Hedging Agreements, promptly upon becoming aware of the same.

- 9.2 The Chargors shall not, without the prior written consent of the Security Agent:
- 9.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Hedging Agreement;
 - 9.2.2 exercise any right to rescind, cancel, terminate or release any counterparty from any obligations (or agree to do to any of the foregoing) in respect of any Assigned Hedging Agreement; or
 - 9.2.3 assign, transfer, charge or otherwise deal with or dispose of any Assigned Hedging Agreement or any of the Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Hedging Agreement,

except as permitted by the terms of the Finance Documents.

- 9.3 Save as expressly restricted pursuant to the terms of the Finance Documents, prior to the Enforcement Date, the relevant Chargor may exercise all its rights in respect of the Assigned Hedging Agreements to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Hedging Agreements.

10. **ASSIGNED CONTRACTS**

- 10.1 Each Chargor shall:-

- 10.1.1 deliver to the Security Agent, promptly following execution of the same, such documents relating to the Assigned Contracts as the Security Agent may reasonably require;
- 10.1.2 perform all its obligations under the Assigned Contracts in a diligent and timely manner; and
- 10.1.3 notify the Security Agent of any material breach of or default under an Assigned Contract by it or any other party and any right that arises entitling it or any other party to terminate or rescind an Assigned Contract promptly upon becoming aware of the same.

- 10.2 The Chargors shall not, without the prior written consent of the Security Agent:

- 10.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Contract;
- 10.2.2 exercise any right to rescind, cancel, terminate or release any counterparty from any obligations (or agree to do to any of the foregoing) in respect of any Assigned Contract; or
- 10.2.3 assign, transfer, charge or otherwise deal with or dispose of any Assigned Contract or any of the Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Contracts,

except as permitted by the terms of the Finance Documents.

- 10.3 Save as expressly restricted pursuant to the terms of the Finance Documents, while no Event of Default is continuing, the relevant Chargor may exercise all its rights in respect of the Assigned Contracts to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Contracts.

11. **POWER TO REMEDY**

If any Chargor fails to comply with any of its obligations in relation to any of its assets subject to Security pursuant to this Debenture within any applicable grace periods, or

the Security Agent reasonably considers in good faith that a Chargor has failed to comply with any such obligations, within any applicable grace periods, the Security Agent may, if it thinks fit (but without any obligation) take such steps as it deems appropriate and necessary to remedy such failure (including, without limitation, the carrying out of repairs, the putting in place of insurance or the payment of costs, charges or other expenses) and the Chargors will co-operate with and will grant the Security Agent or its agents or contractors such access as the Security Agent may reasonably require to the relevant assets or otherwise in order to facilitate the taking of such steps.

12. DEMAND AND ENFORCEMENT

12.1 Enforcement

This Debenture shall become enforceable in respect of and against the Chargors upon the first occurrence of:

12.1.1 any Enforcement Action;

12.1.2 any request being made by a Chargor to the Security Agent for the appointment of a Receiver or an administrator, or for the Security Agent to exercise any other power or right available to it.

12.2 Demand for payment

Any demand for payment, and any other notice to be given by the Security Agent under this Debenture, shall be in writing and shall be delivered to the registered office of such Chargor.

12.3 Powers on enforcement

At any time after the Security created by this Debenture has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

12.3.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Debenture, without the restrictions contained in sections 103 or 109(1) of the LPA;

12.3.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA; and

12.3.3 to the extent that any Charged Property constitutes "Financial Collateral" and this Debenture constitutes a "security financial collateral arrangement" each as defined in the Regulations, appropriate all or any part of the Charged Property in or towards satisfaction of the Secured Liability (including transferring the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as the Security Agent shall determine in a commercially reasonable manner

13. RECEIVERS

13.1 Appointment

At any time after this Debenture has become enforceable in respect of and against the Chargors, the Security Agent may appoint any person or persons to be a Receiver or Receivers of all or any part of the Charged Property of the Chargors charged under this Debenture or an administrator of the Chargors. An appointment over part only of such Charged Property shall not preclude the Security Agent from making any subsequent appointment over any other part of such Charged Property.

13.2 Appointment in writing

The appointment of a Receiver shall be in writing, and may be signed by any authorised signatory on behalf of the Security Agent. Where more than one person is acting at any time as Receiver, they shall have power to act severally as well as jointly.

13.3 Remuneration

The Security Agent may from time to time determine the remuneration of the Receiver (which shall not be subject to the limit in section 109(6) of the LPA) and may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

13.4 Powers

The Receiver shall be the agent of the Chargors (which shall be solely liable for his acts, defaults and remuneration except for any acts or defaults arising from its own gross negligence or wilful misconduct) unless and until any Chargor goes into liquidation from which time he shall act as principal and shall not become the agent of the Security Agent, and the Receiver shall have and be entitled to exercise in relation to the Charged Property all the powers:-

13.4.1 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;

13.4.2 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;

13.4.3 and rights that an absolute owner would have in relation to any Charged Property; and

13.4.4 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

13.5 Removal

The Security Agent may by writing (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

13.6 Receiver as agent

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Security Agent.

13.7 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Debenture.

14. POWER OF ATTORNEY

14.1 Appointment

Each Chargor hereby irrevocably and by way of security appoints:-

14.1.1 the Security Agent (whether or not a Receiver has been appointed); and

14.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Security Agent; and

14.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Debenture but has failed to do or execute, or which the Security Agent in its reasonable opinion may consider necessary or desirable for perfecting the Security Agent's title to any of the Charged Property or enabling the Security Agent or the Receiver to exercise any of its or his rights or powers under this Debenture.

14.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in Clause 14.1 (*Appointment*) shall do or purport to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 14.1 (*Appointment*).

15. APPLICATION OF MONEYS

15.1 Application of moneys

All sums received by virtue of this Debenture by the Security Agent or the Receiver shall, subject to the payment of any claim having priority to this Debenture, be paid or applied in the following order of priority:-

15.1.1 **first**, in or towards satisfaction of all costs, charges and expenses incurred and payments made by the Security Agent as agent for the Secured Parties, or the Receiver (including, without limitation, legal expenses) and of the remuneration of the Receiver;

15.1.2 **secondly**, in or towards payment of the Secured Liabilities in such order as is required by the Finance Documents; and

15.1.3 **thirdly**, as to the surplus (if any), to the person or persons entitled to such surplus,

and section 109(8) of the LPA shall not apply to this Debenture.

16. CONSOLIDATION

16.1 Combination of accounts

Without prejudice to the provisions of the Facilities Agreement and in particular clause 17 (*Bank Accounts*), in addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Security Agent and each Secured Party may have the right at any time or times after notice has been served by the Agent under clause 25.16 (*Acceleration*) of the Facilities Agreement, without notice to a Chargor, to combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Security Agent or that Secured Party, and/or to set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed to the Security Agent on any other account or otherwise.

16.2 Application

The Security Agent's and each Secured Party's rights under Clause 16.1 apply:-

- 16.2.1 whether or not any demand has been made under this Debenture, or any liability concerned has fallen due for payment;
- 16.2.2 whether or not any credit balance is immediately available or subject to any restriction;
- 16.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Security Agent and the relevant Secured Party may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and
- 16.2.4 in respect of any Secured Liabilities owed by the relevant Chargor, whether owed solely or jointly, certainly or contingently, presently or in the future, as principal or surety, and howsoever arising.

17. PROTECTION OF THIRD PARTIES

17.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Security Agent, as varied and extended by this Debenture, and all other powers of the Security Agent, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Debenture.

17.2 Purchasers

No purchaser from or other person dealing with the Security Agent, any person to whom it has delegated any of its powers, or the Receiver shall be concerned to enquire whether any of the powers which they have exercised has arisen or become exercisable, or whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act or as to the propriety or validity of the exercise of any such power, and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

17.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any other Secured Party, any Receiver or any person to whom any of them have delegated any of their powers.

18. PROTECTION OF THE SECURITY AGENT, THE SECURED PARTIES AND ANY RECEIVER

18.1 No liability

None of the Security Agent, the other Secured Parties, any Receiver and any of their respective officers, employees or delegates shall be liable in respect of any loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise any of their respective powers under this Debenture (other than any loss or damage which arises from their own gross negligence or wilful misconduct).

18.2 Not mortgagee in possession

Without prejudice to any other provision of this Debenture, entry into possession of any Charged Property shall not render the Security Agent or the Receiver liable:-

18.2.1 to account as mortgagee in possession;

18.2.2 for any loss on realisation; or

18.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Security Agent or the Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to go out of such possession.

18.3 Interest

Each Chargor shall pay interest at the Default Rate on the sums payable (a "**Sum Payable**") under this Clause 18 (*Protection of the Security Agent, the Secured Parties and any Receiver*) from the date on which the Sum Payable was due to the date of actual payment (both before and after judgment) provided that if interest is charged on any Sum Payable at the Default Rate under the terms of the Facilities Agreement there shall be no duplication of such default interest on that Sum Payable under this clause.

18.4 Indemnity out of the Charged Property

18.4.1 Each Chargor jointly and severally shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:-

(a) any failure by the Company to comply with its obligations under Clause 16 (*Costs and expenses*) of the Facilities Agreement;

(b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

(c) the taking, holding, protection or enforcement of the Transaction Security;

- (d) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Agent and each Receiver and Delegate by the Finance Documents or by law;
- (e) any default by any Chargor in the performance of any of the obligations expressed to be assumed by it in the Finance Documents;
- (f) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Debenture; or
- (g) acting as Security Agent, Receiver or Delegate under the Finance Documents or which otherwise relates to any of the Charged Property (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

18.4.2 The Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Charged Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in Clause 17.4.1 (*Indemnity out of the Charged Property*).

18.5 **Liability of Chargors related to Charged Property**

Notwithstanding anything contained in this Debenture or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Charged Property. None of the Secured Parties, the Security Agent or any Receiver is under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

18.6 **Currency protection**

If any amount due to be paid to the Security Agent is, for any reason, paid in a currency (the "**currency of payment**") other than the currency in which it was expressed to be payable (the "**contractual currency**"), the Security Agent may wherever it thinks fit apply the amount of the currency of payment received by it in the purchase, in accordance with its normal practice, of the contractual currency, and if this results in any shortfall below the amount due in the contractual currency, after deducting all taxes, costs and commissions payable in connection with that purchase, the Chargors shall indemnify the Security Agent against the amount of the shortfall.

18.7 **Continuing protection**

The provisions of this Clause 18 shall continue in full force and effect notwithstanding any release or discharge of this Debenture, or the discharge of any Receiver from office.

19. **PROVISIONS RELATING TO THE SECURITY AGENT**

19.1 **Powers and discretions**

The rights, powers and discretions given to the Security Agent in this Debenture:-

- 19.1.1 may be exercised as often as, and in such manner as, the Security Agent thinks fit (acting reasonably);
- 19.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and

19.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

19.2 Certificates

A certificate by an officer of the Security Agent:-

19.2.1 as to any amount for the time being due to the Secured Parties or any of them; or

19.2.2 as to any sums payable to the Security Agent under this Debenture,

shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

19.3 Assignment

In accordance with and subject to the terms of the Finance Documents, the Security Agent may assign this Debenture to any successor in title to any of the Secured Liabilities and each Secured Party may assign its interest in this Debenture in whole or in part to any successor in title to any of the Secured Liabilities, and the Security Agent and any Secured Party may disclose any information in its possession relating to any Chargor, its affairs or the Secured Liabilities to any actual or prospective assignee.

19.4 Delegation

The Security Agent may at any time and from time to time delegate by power of attorney or in any other manner to any person or persons all or any of the rights, powers and discretions which are for the time being exercisable by it under this Debenture.

20. PRESERVATION OF SECURITY

20.1 Continuing Security

This Debenture shall be a continuing security to the Security Agent and shall remain in force until expressly discharged in writing by the Security Agent notwithstanding any intermediate settlement of account or other matter or thing whatsoever and shall be without prejudice and in addition to any other right, remedy or Security of any kind which the Security Agent may have now or at any time in the future for or in respect of any of the Secured Liabilities.

20.2 No Merger

This Debenture is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Agent may at any time hold for any other Secured Liabilities.

20.3 Waiver of Defences

Neither the Security created by this Debenture nor the obligations of the Chargors under this Debenture will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it or the Security Agent or any other Secured Party) including:-

20.3.1 any time, waiver or consent granted to, or composition with, any Chargor or other person;

- 20.3.2 the release of any Chargor or any other person under the terms of any composition or arrangement with any person;
- 20.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Chargor 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;
- 20.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor or any other person;
- 20.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- 20.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 20.3.7 an insolvency, liquidation, administration or similar procedure.

20.4 Immediate Recourse

Each Chargor waives any right it may have of first requiring the Security Agent or any other Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights of Security or claim payment from any person before claiming from a Chargor under this Debenture. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

20.5 Suspense Accounts

The Security Agent may, without prejudice to any other rights it may have, at any time and from time to time place (and keep for such time as it may think prudent) any moneys received, recovered or realised under or by virtue of this Debenture on a separate or suspense account to the credit either of the relevant Chargor or, at the sole discretion of the Security Agent if an Event of Default has occurred and is continuing, of the Security Agent as the Security Agent shall think fit without any intermediate obligation on the Security Agent's part to apply the same or any part of it in or towards the discharge of the Secured Liabilities.

20.6 New Accounts

If the Security Agent or any other Secured Party receives notice of any subsequent charge or other security interest affecting any of the Charged Property, the Security Agent and the relevant Secured Party or Secured Parties shall be entitled to close the relevant Chargor's then current account or accounts and to open a new account or accounts for that Chargor. If the Security Agent or any other Secured Party does not open a new account or accounts immediately on receipt of such notice it shall nevertheless be treated as if it had done so at the time when it received such notice, and as from that time all payments made for the credit of such Chargor to the Security Agent or that Secured Party shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount due from that Chargor to the Security Agent at the time when it received such notice.

20.7 **Tacking**

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Security Agent confirms that it shall make further advances to the Chargors on the terms and subject to the conditions of the Finance Documents.

20.8 **Reinstatement**

If any payment by the Chargors or discharge given by the Security Agent (whether in respect of the obligations of the Chargors or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event:-

20.8.1 the liability of the Chargors and the Security created by this Debenture shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

20.8.2 the Security Agent shall be entitled to recover the value or amount of that Security or payment from the Chargors, as if the payment, discharge, avoidance or reduction had not occurred.

21. **RELEASE**

21.1 Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

21.1.1 release the Charged Property from this Debenture; and

21.1.2 re-assign the Charged Property that has been assigned to the Security Agent under this Debenture.

21.2 Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Debenture.

22. **MISCELLANEOUS PROVISIONS**

22.1 **Severability**

If any provision of this Debenture is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

22.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

22.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

22.2 **Joint and separate liability**

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Debenture are given by them jointly and separately and shall be construed accordingly.

22.3 **Costs, charges and expenses**

All costs, charges and expenses reasonably incurred or paid by the Security Agent or by the Receiver in the exercise of any power or right given by this Debenture or in relation to any consent requested by a Chargor, or in perfecting or otherwise in connection with this Debenture, the other Finance Documents or the Charged Property, all sums recoverable under Clause 18 (*Protection of the Security Agent and*

any Receiver) and all costs of the Lender (on an indemnity basis) of all proceedings for the enforcement of this Debenture or for obtaining payment of moneys by this Debenture secured, shall be recoverable from the Chargors as debts, may be debited by the Security Agent at any time to any account of the Chargor and shall bear interest from the due date until payment at the rate specified in clause 8.4.1 (*Default interest*) of the Facilities Agreement.

22.4 Contracts (Rights of Third Parties) Act 1999

The Security Agent, any Receiver and their respective officers, employees and agents may enforce any term of this Debenture which purports to confer a benefit on that person, but no other person who is not a party to this Debenture has any right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Debenture.

22.5 Counterparts

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

23. NOTICES

Each communication to be made under or in connection with this Debenture shall be made in accordance with clause 34 (*Notices*) of the Facilities Agreement.

24. GOVERNING LAW

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

25. ENFORCEMENT

25.1 Jurisdiction of English Courts

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

25.1.2 The parties to this Debenture agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

25.1.3 Notwithstanding Clause 25.1.1, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

EXECUTED AND DELIVERED AS A DEED by the Chargors and executed by the Security Agent on the date set out at the beginning of this Debenture.

SCHEDULE 1

DETAILS OF LAND

REGISTERED LAND

	Chargor	Description	Tenure	Title number (or, in respect of the Property described in row 1 below, the unit numbers)	SB Ref
1	Luckysix Limited	Leasehold land known as Flats 33, 34, 25, 26, 27, 28, 29, 30, 31, 32, 43, 44, 36, 38, 39, 40, 41, 42, 48 and 52 Garrett Mansions, 287 Edgware Road, London W2 1EY	Leasehold absolute	Flat 33 (Unit 319) Flat 34 (Unit 320) Flat 25 (Unit 321) Flat 26 (Unit 322) Flat 27 (Unit 323) Flat 28 (Unit 324) Flat 29 (Unit 325) Flat 30 (Unit 326) Flat 31 (Unit 327) Flat 32 (Unit 328) Flat 43 (Unit 329) Flat 44 (Unit 330) Flat 36 (Unit 332) Flat 38 (Unit 334) Flat 39 (Unit 335) Flat 40 (Unit 336) Flat 41 (Unit 337) Flat 42 (Unit 338) Flat 48 (Unit 344) Flat 52 (Unit 348) Parking	3.3.1 3.3.2 3.3.3 3.3.4 3.3.5 3.3.6 3.3.7 3.3.8 3.3.9 3.3.10 3.4.1 3.4.2 3.4.4 3.4.6 3.4.7 3.4.8 3.4.9 3.4.10 3.5.6 3.5.10
2	Ableside Limited	Leasehold land known as Flat 1, 3, 15, 23, 28, 31, 40, 45, 46, 51, 54, 55, 60, 70, 76, 82, 85, 87, 92, 100, 105, 108 and 112 Forset Court, 140 Edgware Road, London W2 2RE (option unit leases)	Leasehold absolute	Flat 1 (NGL883612) Flat 3 (NGL883624) Flat 15 (NGL883627) Flat 23 (NGL883637) Flat 28 (NGL883642) Flat 31 (NGL883643) Flat 40 (NGL883650) Flat 45 (NGL883644) Flat 46 (NGL883656) Flat 51 (NGL883663) Flat 54 (NGL883665) Flat 55 (NGL883685) Flat 60 (NGL884648) Flat 70 (NGL883709) Flat 76 (NGL883713) Flat 82 (NGL883716) Flat 85 (NGL883725) Flat 87 (NGL883726) Flat 92 (NGL883729) Flat 100 (NGL883736) Flat 105 (NGL883742) Flat 108 (NGL883743) Flat 112 (NGL883749)	N/A
3	Charterstar Limited	Leasehold land known as Forset Court, 140 Edgware Road, London W2	Leasehold absolute	NGL883554 LN11471 NGL841172 NGL841178	N/A

	Chargor	Description	Tenure	Title number (or, in respect of the Property described in row 1 below, the unit numbers)	SB Ref
		2RE (headlease interest)		NGL841181	
4	Deepspur Limited	Leasehold land known as Forset Court, 140 Edgware Road, London W2 2RE (underlease interest)	Leasehold absolute	NGL883556 LN13635 NGL841174 NGL841183 NGL841182	N/A

UNREGISTERED LAND

	Chargor	Description	Tenure	Title number (or, in respect of the Property described in row 1 below, the unit numbers)	SB Ref
None at the date of this Deed.					

SCHEDULE 2

THE CHARGORS

Company name	No	Jurisdiction of incorporation	Address for service and fax number
Ableside Limited	05890178	England & Wales	59-60 Grosvenor Street, Mayfair, London, W1K 3HZ
Deepspur Limited	05890197	England & Wales	59-60 Grosvenor Street, Mayfair, London, W1K 3HZ
Charterstar Limited	05890218	England & Wales	59-60 Grosvenor Street, Mayfair, London, W1K 3HZ
Luckysix Limited	05890119	England & Wales	59-60 Grosvenor Street, Mayfair, London, W1K 3HZ

SCHEDULE 3

DETAILS OF SHARES

Name of Company	Description and Number of Shares	Name of Shareholder
None at the date of this Deed.		

SCHEDULE 4

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED CONTRACT

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant contract counterparty]

Date: []

Dear Sirs,

[DESCRIPTION OF RELEVANT ASSIGNED CONTRACT] (THE "CONTRACT")

1. We give you notice that we have entered into a debenture dated [] in favour of [SECURITY AGENT] (the "Security Agent") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Security Agent by way of security all of our rights, title and interest from time to time in, and the full benefit of, the Contract and all rights, title and interest in any amounts payable to us under the Contract, including any claims for damages in respect of any breach of the Contract.
3. Following the Security Agent's notification to you that the security created by the Debenture has become enforceable:-
 - 3.1 [all payments to be made to us under or arising from the Contract should be made [to the Security Agent or to its order as it may specify in writing from time to time] *[specify bank account]*;
 - 3.2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;
 - 3.3 you are authorised and instructed, without further approval from us, to comply with your obligations (including without limitation your payment obligations) under the Contract in accordance with the written instructions of the Security Agent from time to time (and to hold the money for any such payments to the Security Agent's order pending receipt of written instructions from the Security Agent); and
 - 3.4 subject to paragraph 5 below, you shall allow the Security Agent to perform all the obligations assumed by us under the Contract.
4. You shall not be released from your obligations under the Contract without the prior written consent of the Security Agent.
5. We shall remain liable to perform all our obligations under the Contract and the Security Agent shall be under no obligation of any kind whatsoever in respect of the Contract.

6. You must not, without the Security Agent's prior written consent:
 - 6.1 amend, novate, supplement, restate or replace the Contract;
 - 6.2 agree to any waiver or release of any of your obligations under the Contract; or
 - 6.3 exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Contract.
7. With effect from the date of receipt of this notice, we irrevocably and unconditionally instruct and authorise you, without requiring further approval from us, to:
 - 7.1 promptly disclose to the Security Agent such information relating to the Contract as the Security Agent may at any time request including, without limitation, all information, accounts and records in your possession or control that may be necessary or of assistance to enable the Lender to verify the amount of all payments made or payable under the Contract by you or the performance by you of all your obligations under the Contract; and
 - 7.2 provide the Security Agent with copies of all notices given or received under the Contract promptly after they are given or received.
8. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Security Agent.
9. By countersigning this letter, you confirm that:-
 - 9.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
 - 9.2 no amendment, waiver or release of any of rights, interests and benefits referred to in this notice shall be effective without the prior written consent of the Security Agent;
 - 9.3 no termination of any rights, interests or benefits referred to in this notice shall be effective unless we have given the Security Agent thirty days written notice of the proposed termination (or if notice is not possible within that period, as soon as possible), specifying the action necessary to avoid such termination;
 - 9.4 no breach or default on the part of the [*insert name of relevant Chargors*] of any of the terms of the Contract shall be deemed to have occurred unless you have given notice of such breach to the Security Agent specifying how to make good such breach; and
 - 9.5 you will not, without the Security Agent's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Contract.
10. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Security Agent at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
[PARENT/CHARGOR]

Acknowledged:

.....

For and on behalf of

[Name of contract counterparty]

EXECUTION PAGES

The Chargors

Executed as a Deed (but not delivered until the date of this Deed) by **ABLESIDE LIMITED** acting by

JONATHAN RUST

Full Name (Director)
in the presence of:

Luke van Vuuren

Full Name (Witness)

[Redacted Address]

Address

[Redacted Signature]

Signature of Director

[Redacted Signature]

Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **DEEPSUR LIMITED** acting by

JONATHAN RUST

Full Name (Director)
in the presence of:

Luke van Vuuren

Full Name (Witness)

[Redacted Address]

Address

[Redacted Signature]

Signature of Director

[Redacted Signature]

Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **CHARTERSTAR LIMITED** acting by

JONATHAN RUST

Full Name (Director)
in the presence of:

Luke van Vuuren

Full Name (Witness)

[Redacted Address]

Address

[Redacted Signature]

Signature of Director

[Redacted Signature]

Signature of Witness

Executed as a Deed (but not delivered until the date of this Deed) by **LUCKYSIX LIMITED** acting by

JONATHAN RUST
Full Name (Director)

in the presence of:

Luke van Vuuren
Full Name (Witness)

[Redacted]
Address

[Redacted]
Signature of Director

[Redacted]
Signature of Witness

The Security Agent

SIGNED for and on behalf of
HSBC UK BANK PLC