



**Registration of a Charge**

Company name: **TEMPLE RETAIL LIMITED**

Company number: **05981917**



X6L9ER0R

Received for Electronic Filing: **14/12/2017**

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**Details of Charge**

Date of creation: **05/12/2017**

Charge code: **0598 1917 0017**

Persons entitled: **AARON'S, INC.**

Brief description: **A FIXED CHARGE OVER ALL REAL PROPERTY WITH NO SPECIFIC REAL PROPERTY IDENTIFIED TO BE SUBJECT TO A CHARGE AND A FIXED CHARGE OVER TRADE MARK NUMBERS 2419564 AND 2422811. FOR MORE DETAILS, PLEASE REFER TO CLAUSE 3.1 OF THE CHARGE.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**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: **MALITHI FERNANDO, DLA PIPER UK LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 5981917

Charge code: 0598 1917 0017

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th December 2017 and created by TEMPLE RETAIL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th December 2017 .

Given at Companies House, Cardiff on 18th December 2017

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

**EXECUTION VERSION**

**(1) THE COMPANIES IDENTIFIED IN SCHEDULE 1**

**AS ORIGINAL CHARGORS**

**in favour of**

**(2) AARON'S, INC.**

**as Noteholder**

**COMPOSITE DEBENTURE**

**DATED 5 December 2017**

**THIS DEBENTURE IS EXPRESSLY SUBJECT TO THE TERMS OF THE INTERCREDITOR AGREEMENT (AS  
DEFINED HEREIN)**



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED  
PURSUANT TO s859G OF THE COMPANIES ACT 2006,  
THIS IS A TRUE, COMPLETE AND CORRECT COPY  
OF THE ORIGINAL INSTRUMENT

DATE 13 December 2017

SIGNED [Signature]  
DLA PIPER UK LLP

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THIS DEBENTURE is dated ~~5 DECEMBER~~ 2017 and made between:

- (1) THE COMPANIES whose names, registered numbers and registered offices are set out in Schedule 1 (the "Original Chargors") in favour of
- (2) AARON'S, INC. a corporation incorporated under the laws of the State of Georgia, United States of America (the "Noteholder").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Loan Note Amendment Agreement shall, unless otherwise defined in this Debenture, have the same meaning when used in this Debenture or any Mortgage (as defined below) and in addition:

**Account** means PerfectHome Capital Operating Account, the Temple Finance Operating Account, the Temple Finance Collections Account and any credit balance from time to time on any account opened or maintained by any of the Chargors with any financial Institution (and any replacement account or subdivision or sub-account of that account) and all Related Rights.

**Additional Chargor** means any entity which becomes a Chargor by executing a Deed of Accession.

**Assigned Account** means PerfectHome Capital Collections Account (and any renewal or redesignation of such accounts) and any other Account that may from time to time be agreed between the Noteholder and PerfectHome Capital to be an Assigned Account.

**Borrower** means PerfectHome Capital.

**Borrower Customer Loan** means a Customer Loan, the beneficial interest in which is held by the Borrower.

**Charged Intellectual Property** means any and all Intellectual Property owned by any Chargor now or in the future including without limitation those rights listed in Schedule 4 (*Details of Intellectual Property*).

**Charged Property** means all the assets and undertaking of any Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Noteholder by or pursuant to this Debenture or any Mortgage or any Scottish Assignment in Security.

**Charges** means all or any of the Security created or expressed to be created by or pursuant to this Debenture or any Mortgage or any Scottish Assignment in Security.

**Chargor** means an Original Chargor or an Additional Chargor.

**Collateral Rights** means all rights, powers and remedies of the Noteholder provided by or pursuant to this Debenture or any Mortgage or any Scottish Assignment in Security or by law.

**Customer Loan Agreement** means, in respect of each Borrower Customer Loan, the loan agreement regulated by the Consumer Credit Act 1974 or the Financial Services and Markets Act 2000 as applicable (together with the related terms and conditions regulating that Borrower Customer Loan) entered into by the relevant Customer and Temple Finance, the form of which was delivered.

**Customer Loan means**

- (a) a loan made to a Customer by Temple Finance or any other Chargor; and
- (b) made subject to a Customer Loan Agreement,

and, for the avoidance of doubt, shall include a Withdrawn Customer Loan.

**Customer Loan Documentation** means, in respect of each Customer Loan and each Borrower Customer Loan, the Customer Loan Agreement and related terms and conditions together with all related documentation which is produced by Temple Finance and completed and/or executed by the relevant Customer relating to such Customer Loan.

**Deed of Accession** means a deed substantially in the form of Schedule 11 (*Form of Deed of Accession*) or in any form agreed between the Parent and the Noteholder.

**Derivative Assets** means all assets derived from any of the Shares including all allotments, accretions, offers, rights, dividends, interest, income, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to any of the Shares and all stocks, shares, rights, money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, exchange, purchase, substitution, option, interest or otherwise in respect thereof.

**Enforcement Event** means an Event of Default which is continuing.

**Event of Default** has the meaning given to it in the Loan Note Amendment Agreement.

**First Ranking Debenture** means the debenture granted by the Original Chargors in favour of the Original Lender dated on or around the date hereof.

**Group** has the meaning given to it in the Loan Note Amendment Agreement.

**Insurance Policy** means any policy of insurance (including, without limitation, key-man insurance, life insurance or assurance but excluding third party liability insurance) in which any Chargor may from time to time have an interest.

**Intellectual Property** means all patents, rights in inventions, trade marks, service marks, designs, business names, domain names, geographical indications, copyrights (including rights in computer software), registered designs, design rights, moral rights, database



rights, rights in confidential information and know how, trade names, trade dress, formulas, trade secrets and other intellectual property rights and interests, whether registered or unregistered and including all applications for and the right to apply for the same, and any Interests (including by way of licence or covenant not to sue) which may subsist anywhere in the world.

**Intercreditor Agreement** means the intercreditor agreement dated on or around the date of this Debenture and made between, among others, the Borrower (as defined therein), the Subordinated Creditors (as defined therein), the Security Agent, the Agent, the Original Lender (as Senior Lender) (all as defined therein) and the Arranger (as defined therein).

**Intra-Group Loan** means any loan by a Chargor as lender to any other member of the Group as borrower or any loan by any other member of the Group as lender to a Chargor as borrower.

**Intra-Group Loan Agreement** means any agreement pursuant to which an Intra-Group Loan is made.

**Investments** means:

- (a) any stocks, shares, debentures, bonds, coupons, negotiable instruments, securities and certificates of deposit (but not including the Shares);
- (b) all interests in collective investment schemes; and
- (c) all warrants, options and other rights to subscribe for or acquire any of the investments described in paragraphs (a) and (b) above,

In each case whether held directly by or to the order of any Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system).

**Loan Note Amendment Agreement** means the loan note amendment agreement dated on or about the date of this Debenture between, amongst others, the Noteholder, the Original Chargors and others as amended, varied, novated or supplemented from time to time.

**LPA** means the Law of Property Act 1925.

**Material Adverse Effect** means a material adverse effect on:

- (a) the business, operations or financial condition of the PerfectHome Capital or the Obligors taken as a whole; or
- (b) the ability of an Obligor to perform its payment obligations under the Finance Documents; or

- (c) have an effect on the validity or enforceability of, or the effectiveness or ranking of any Transaction Security granted or purported to be granted pursuant to any of, the Finance Documents.

**Monetary Claims** means any book and other debts and monetary claims (other than Accounts) owing to a Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which a Chargor is a party and any other assets, property, rights or undertaking of a Chargor).

**Mortgage** means a mortgage or charge in respect of all the Real Property granted by a Chargor in favour of the Noteholder in accordance with Clause 6 (*Further assurance*) substantially in the form of Schedule 8 (*Form of Legal Mortgage*).

**Original Lender** means Kaluga Investments S.À R.L..

**PerfectHome Capital Collections Account** means the sterling bank account of PerfectHome Capital with the Account Bank in England which is designated by PerfectHome Capital and the Agent as the "PerfectHome Capital Collections Account" (and/or any other such account which is designated as such), as the same may be redesignated or renumbered from time to time (including any sub-accounts thereof).

**PerfectHome Capital Operating Account** means the sterling bank account of PerfectHome Capital with the Account Bank in England, which is designated by PerfectHome Capital and the Agent as the "PerfectHome Capital Operating Account" (and/or any such other account which is designated as such), as the same may be redesignated or renumbered from time to time (including any sub-accounts thereof).

**Permitted Security** has the meaning given to it in the Loan Note Amendment Agreement.

**PSC Notice** means a request for information made pursuant to sections 790D and 790E of the Companies Act 2006.

**PSC Restriction Notice** means a "restrictions notice" and "PSC Warning Notice" means a "warning notice", in each case as defined in Paragraph 1(2) of Schedule 1B of the Companies Act 2006.

**Real Property** means:

- (a) any freehold, leasehold or immovable property (including the freehold and leasehold property in England and Wales specified in Schedule 3 (*Details of Real Property*)); and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property,

and includes all Related Rights.

**Receiver** means a receiver or receiver and manager or (where permitted by law) administrative receiver of the whole or any part of the Charged Property and that term will include any appointee made under a joint and/or several appointment.

**Related Rights** means, in relation to any asset (including the Shares, the Derivative Assets and the Investments):

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset.

**Secured Obligations** means all obligations covenanted to be discharged by each Chargor in Clause 2.1 (*Covenant to pay*).

**Security** has the meaning given to it in the Loan Note Amendment Agreement.

**Shares** means all of the shares listed at Schedule 2 (*Details of Shares*) and all of the shares in the capital of any other limited liability company incorporated in England and Wales, in each case held by, to the order or on behalf of any Chargor from time to time.

**Specific Contracts** means the Customer Loan Documentation, the Servicing Agreement, any Standby Servicing Agreement, the Sale Agreement, the Barclays Ancillary Facility Documents, the Subordinated Loan Agreement, the Account Bank Agreement, any Intra-Group Loan Agreement and any other document designated by the Noteholder and PerfectHome Capital as a Specific Contract from time to time.

**Tangible Moveable Property** means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of any Chargor's stock in trade or work in progress) and all Related Rights.

**Temple Finance Collections Account** means the sterling bank account of Temple Finance with the Account Bank in England with account number [REDACTED] and sort code [REDACTED] and/or any other account with the Account Bank which is designated by PerfectHome Capital and the Agent as the "Temple Finance Collections Account", as the same may be redesignated or renumbered from time to time (including any sub-accounts thereof).

**Temple Finance Operating Account** means the sterling bank account of Temple Finance with the Account Bank in England with account number [REDACTED] and sort code [REDACTED] and/or any other account with the Account Bank which is designated by PerfectHome Capital and the Agent as the "Temple Finance Operating Account", as the same may be redesignated or renumbered from time to time (including any sub-accounts thereof).

## **1.2 Interpretation**

In this Debenture or, as applicable, any Mortgage:

- 1.2.1** the rules of interpretation contained in Clause 1.2 (*Construction*) of the Loan Note Amendment Agreement shall apply to the construction of this Debenture or any Mortgage;
- 1.2.2** any reference to the "Noteholder", the "Chargors", the "Agent", or any other person shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees in accordance with their respective interests; and
- 1.2.3** (unless otherwise stated) references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture.

## **1.3 Third party rights**

- 1.3.1** Unless expressly provided to the contrary in this Debenture a person who is not a party hereto has no right under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce or enjoy the benefit of any term of this Debenture.
- 1.3.2** Notwithstanding any term of this Debenture, the consent of any person who is not a party hereto is not required to rescind or vary this Debenture at any time.

## **1.4 Inconsistency**

- 1.4.1** In the event of any inconsistency arising between any of the provisions of this Debenture or any Mortgage and the Loan Note Amendment Agreement or the Intercreditor Agreement, the provisions of the Loan Note Amendment Agreement or the Intercreditor Agreement (as the case may be) shall prevail.
- 1.4.2** To the extent that the provisions of this Debenture are inconsistent with those of any Mortgage, the provisions of that Mortgage shall prevail.

## **1.5 Disposition of property**

The terms of the other Finance Documents and of any side letters between the parties in relation to the Finance Documents are incorporated into this Debenture and any Mortgage to the extent required for any purported disposition of the Real Property contained in this Debenture or any Mortgage to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

## **1.6 Incorporation of provisions into any Mortgage**

Clauses 1.2 (*Interpretation*), 6.1 (*Further assurance: general*), 6.4 (*Implied covenants for title*), 15 (*Enforcement of security*), 16 (*Extension and variation of the LPA*), 17 (*Appointment of Receiver or administrator*), 18 (*Powers of Receiver*), 21 (*Power of attorney*), 30 (*Governing law*) and 31 (*Jurisdiction of English courts*) of this Debenture are incorporated into any Mortgage as if expressly incorporated into that Mortgage, as if references in those clauses to this Debenture were references to that Mortgage and as if all references in those clauses to Charged Property were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law or in equity) to, the Noteholder by or pursuant to that Mortgage.

**1.7 Mortgage**

It is agreed that each Mortgage is supplemental to this Debenture.

**1.8 Deed**

It is intended that this Debenture takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**1.9 Second-ranking Security**

**1.9.1** This Debenture is subject to the terms of the Intercreditor Agreement.

**1.9.2** All security created under this Debenture is created in addition to and does not affect the security created by the First Ranking Debenture.

**1.9.3** Where this Debenture purports to create a first fixed security interest, that security interest will be a second ranking security interest ranking subject to the equivalent security interest created by First Ranking Debenture until such time as the security interest created by First Ranking Debenture ceases to have effect. All references in this Debenture to "full title guarantee" shall be qualified by reference to the First Ranking Debenture.

**1.9.4** Where a right or asset has been assigned (subject to a proviso for re-assignment on redemption) under the First Ranking Debenture and the same asset or right is expressed to be assigned again under this Debenture, that second assignment will take effect as a fixed charge over the right or asset and will only take effect as an assignment if the relevant security interest created by the First Ranking Debenture ceases to have effect at a time when this Debenture still has effect.

**2. PAYMENT OF SECURED OBLIGATIONS**

**2.1 Covenant to pay**

Each Chargor hereby covenants with and undertakes to the Noteholder that it shall discharge all obligations, as and when they fall due in accordance with their terms, which the Chargors may at any time have to the Noteholder under or pursuant to the Finance Documents (including this Debenture and any Mortgage or any Scottish Assignment in

Security) including any liabilities in respect of any further advances made under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity). Each Chargor shall pay to the Noteholder when due and payable every sum at any time owing, due or incurred by such Chargor to the Noteholder in respect of any such liabilities, **provided that** neither such covenant or undertaking nor the security constituted by or pursuant to this Debenture or any Mortgage or any Scottish Assignment in Security shall extend to or include any liability or sum which would, but for this proviso, cause such covenant, undertaking or security to be unlawful or prohibited by any applicable law.

## **2.2 Interest on demands**

If any Chargor fails to pay any sum on the due date for payment of that sum such Chargor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the rate determined by and in accordance with the provisions of clause 4.2(e) (*Default rate*) of the Loan Note Amendment Agreement.

## **3. FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE**

### **3.1 Fixed charges**

Each Chargor hereby charges with full title guarantee in favour of the Noteholder as security for the payment and discharge of the Secured Obligations, by way of first fixed charge (which, so far as it relates to land in England and Wales vested in a Chargor at the date of this Debenture and listed in Schedule 3 (*Details of Real Property*), shall be a charge by way of legal mortgage) all such Chargor's right, title and interest from time to time in and to each of the following assets (subject in each case to obtaining any necessary consent to such mortgage or fixed charge from any third party) in each case both present and future:

- 3.1.1** the Real Property;
- 3.1.2** the Tangible Moveable Property;
- 3.1.3** the Accounts;
- 3.1.4** the Charged Intellectual Property;
- 3.1.5** any goodwill and rights in relation to the uncalled capital of such Chargor;
- 3.1.6** the Investments and all Related Rights;
- 3.1.7** the Shares, all dividends, interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise); and

- 3.1.8** all Monetary Claims other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture and all Related Rights.

### **3.2 Assignments**

Each Chargor hereby assigns with full title guarantee to the Noteholder as security for the payment and discharge of the Secured Obligations, subject to a proviso for re-assignment on redemption, such Chargor's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party and without prejudice to such Chargor's obligations under Clause 6.3 (*Consent of third parties*)) in each case both present and future:

- 3.2.1** the proceeds of any Insurance Policy;
- 3.2.2** all rights and claims in relation to any Assigned Account; and
- 3.2.3** each of the Specific Contracts,

and, in each case, all Related Rights.

### **3.3 Floating charge**

- 3.3.1** Each Chargor hereby charges with full title guarantee (or in relation to assets situated in, or subject to the laws of, Scotland, with absolute warranty) in favour of the Noteholder for the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertaking of such Chargor (including, for the avoidance of doubt, all its present and future assets situated in Scotland or otherwise subject to Scots law), other than any asset which is situated in England and Wales and validly and effectively charged under the laws of England and Wales by way of fixed security created under this Debenture in favour of the Noteholder as security for the Secured Obligations.
- 3.3.2** The floating charge created by this Clause 3.3 shall be deferred in point of priority to all fixed security validly and effectively created by a Chargor under the Finance Documents in favour of the Noteholder as security for the Secured Obligations.
- 3.3.3** Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 3.3.

### **3.4 Scottish Security**

If the obligations due to the Original Lender are fully repaid, the Noteholder may, pursuant to Schedule 2 (Conditions Precedent) of the Loan Note Amendment Agreement, serve notice on PerfectHome Capital to execute and deliver (and to procure that Temple Finance Limited executes and delivers) to the Noteholder Scottish Assignations in Security substantially in the form set out in Schedule 12 (*Form of Scottish*

*Assignment in Security*) to this Deed. The Noteholder consents to the entering into from time to time of such Scottish Assignations in Security and authorises PerfectHome Capital to intimate the assignations made in favour of Noteholder pursuant thereto to Temple Finance Limited in the manner contemplated therein.

#### **4. CRYSTALLISATION OF FLOATING CHARGE**

##### **4.1 Crystallisation: by notice**

The Noteholder may at any time by notice in writing to a Chargor convert (to the extent permitted by applicable law) the floating charge created by Clause 3.3 (*Floating charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- 4.1.1** an Enforcement Event has occurred; or
- 4.1.2** the Noteholder reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- 4.1.3** the Noteholder reasonably considers that it is necessary in order to protect the priority of the security.

##### **4.2 Crystallisation: automatic**

Notwithstanding Clause 4.1 (*Crystallisation: by notice*) and without prejudice to any law which may have a similar effect, the floating charge will (to the extent permitted by applicable law) automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- 4.2.1** any Chargor creates or attempts to create any Security (other than any Permitted Security) over any of the Charged Property; or
- 4.2.2** any Chargor disposes or attempts to dispose of all or any of its assets (other than as expressly permitted under the Loan Note Amendment Agreement); or
- 4.2.3** any person levies or attempts to levy any distress, execution or other process or seizes any goods pursuant to any rent arrears recovery process, against any of the Charged Property which is not discharged within 2 Business Days; or
- 4.2.4** a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of any Chargor or an administrator is appointed to any Chargor; or
- 4.2.5** any person (who is entitled to do so) gives notice of its intention to appoint an administrator to any Chargor or files such a notice with the court.



**5. PERFECTION OF SECURITY**

**5.1 Notices of assignment and charge**

Each Chargor shall deliver (or procure delivery) to the Noteholder and the obligor or debtor specified by the Noteholder :

- 5.1.1** in respect of each Insurance Policy the proceeds of which are assigned pursuant to Clause 3.2 (*Assignments*), a notice of assignment substantially in the form set out in Schedule 5 (*Form of Notice of Assignment of Insurances*) duly executed by it promptly following the execution of this Debenture or promptly upon such Chargor entering into a new Insurance Policy and such Chargor shall use reasonable endeavours to ensure that such notice is acknowledged by the relevant Insurer with which the relevant Insurance Policy is held;
- 5.1.2** in respect of each Assigned Account assigned pursuant to Clause 3.2 (*Assignments*), a notice of assignment substantially in the form set out in Schedule 6 (*Form of Notice of Assignment of Account*) duly executed by it promptly following the execution of this Debenture or promptly upon an Account being designated as an Assigned Account;
- 5.1.3** in respect of each Specific Contract (other than the Customer Loan Documentation) assigned pursuant to Clause 3.2 (*Assignments*), a notice of assignment substantially in the form set out in Schedule 7 (*Form of Notice of Assignment of Specific Contract*) duly executed by it promptly following the execution of this Debenture or promptly upon a Chargor entering into a Specific Contract and such Chargor shall use reasonable endeavours to ensure that such notice is acknowledged by the relevant party with which the relevant Specific Contract is held;
- 5.1.4** in respect of all Customer Loan Documentation assigned pursuant to Clause 3.2 (*Assignments*), a notice of assignment substantially in the form set out in Schedule 7 (*Form of Notice of Assignment of Specific Contract*) duly executed by it promptly upon request by the Noteholder following the occurrence of an Enforcement Event and each Chargor shall use reasonable endeavours to ensure that such notice is acknowledged by the relevant party with which the relevant Specific Contract is held; and
- 5.1.5** In respect of all leases relating to Real Property mortgaged or charged pursuant to Clause 3.1 (*Fixed charges*) or any Mortgage, a notice of charge substantially in the form set out in Schedule 9 (*Form of Notice of Charge of Lease*) promptly following the execution of this Debenture or promptly upon a Chargor entering into a lease relating to Real Property and such Chargor shall use reasonable endeavours to ensure that such notice is acknowledged by the relevant party with which the relevant Specific Contract is held.

## **5.2 Notices of charge: Accounts**

Each Chargor shall, immediately following execution of this Debenture or promptly (and in any event within one Business Day) following any Deed of Accession and promptly upon the request of the Noteholder from time to time, in respect of any Account, promptly deliver to the Noteholder (or procure delivery of) a notice of charge in the form set out in Schedule 10 (*Form of Notice of Charge of Account*) or such other form as the Noteholder shall agree or require duly executed by or on behalf of such Chargor and shall use all reasonable endeavours to ensure that such notice is acknowledged by the relevant bank or financial institution with which that Account is opened or maintained.

## **5.3 Real Property: delivery of documents of title**

**5.3.1** Each Chargor shall, as soon as reasonably practicable following the execution of this Debenture in respect of any Real Property specified in Schedule 3 (*Details of Real Property*) deliver to the Noteholder (or procure delivery of), and the Noteholder shall be entitled to hold and retain, all deeds, certificates and other documents of title relating to such property.

**5.3.2** Each Chargor shall upon the execution of this Debenture, and promptly following the acquisition by such Chargor of any interest in any other freehold, leasehold or other immovable property, deliver (or procure delivery) to the Noteholder of, and the Noteholder shall be entitled to hold and retain, all deeds, certificates and other documents of title relating to such property.

## **5.4 Note of Mortgage**

In the case of any Real Property title to which is or will be registered under the Land Registration Act 2002, which is acquired by or on behalf of each Chargor after the execution of this Debenture, a Chargor shall promptly notify the Noteholder of the title number(s) and, contemporaneously with the making of an application to the Land Registry for the registration of a Chargor as the Registered Proprietor of such property, apply to the Chief Land Registrar to enter a notice of any Mortgage on the Charges Register of such property.

## **5.5 Application to the Land Registry**

Each Chargor consents to an application being made to the Chief Land Registrar to enter the following restriction in the Proprietorship Register of any property which is, or is required to be, registered and which forms part of the Real Property:

"No [disposition *or specify type of disposition*] of the registered estate [(other than a charge)] 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 debenture dated [●] in favour of [*Noteholder name*] of [address] referred to in the charges register or [their conveyancer *or specify appropriate details*]]."

**5.6 Further Advances**

- 5.6.1** Should the Noteholder be subject to an obligation to make further advances to any Chargor under the Loan Note Amendment Agreement, that obligation will be deemed to be incorporated into this Debenture as if set out in this Debenture.
- 5.6.2** Each Chargor consents to an application being made to the Chief Land Registrar to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Charged Property.

**5.7 Delivery of share certificates**

- 5.7.1** Each Chargor shall, on the date of this Debenture or on, or promptly after, the date on which any Shares are issued or transferred to it after the date of this Debenture, deposit with the Noteholder (or procure the deposit of):
- (a) all certificates or other documents of title to such Shares; and
  - (b) stock transfer forms in such form as the Noteholder shall require with the name of the transferee, the consideration and the date kept blank but otherwise duly completed and executed by or on behalf of such Chargor in relation to such Shares.
- 5.7.2** Each Chargor shall, promptly upon the accrual, offer or issue of any Derivative Assets, notify the Noteholder of that occurrence and procure the prompt delivery to the Noteholder of:
- (a) all certificates or other documents of title representing such Derivative Assets; and
  - (b) such stock transfer forms or other instruments of transfer with the name of the transferee, the consideration and the date left blank (but otherwise duly completed and executed by or on behalf of such Chargor) in respect of such Derivative Assets as the Noteholder may request.

**5.8 Registration of Intellectual Property**

Without prejudice to the generality of any other clause in this Debenture, each Chargor shall at any time or times, if requested by the Noteholder, promptly and at its own expense, execute all such documents and do all acts that the Noteholder may reasonably require to record the interest of the Noteholder in any registers in the world relating to any registered Charged Intellectual Property.

**6. FURTHER ASSURANCE**

**6.1 Further assurance: general**

- 6.1.1** The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in sub-Clause 6.1.2.
- 6.1.2** Each Chargor shall promptly enter into a Mortgage over any future acquired Real Property where the value of or consideration for such Real Property exceeds £100,000 (in each case determined on the basis of each individual acquisition or a related series of acquisitions).

**6.2 Necessary action**

Each Chargor shall at its own expense take all such action as is available to it (including making all filings and registrations) as the Noteholder, any Receiver or administrator may properly consider expedient for the purpose of the creation, perfection, protection, confirmation or maintenance of any security created or intended to be created in favour of the Noteholder, any Receiver or administrator by or pursuant to this Debenture, any Mortgage or any Scottish Assignment in Security.

**6.3 Consent of third parties**

Each Chargor shall use reasonable endeavours to obtain (in form and content reasonably satisfactory to the Noteholder) as soon as possible any consents necessary, including any consent necessary for any Mortgage, to enable the assets of such Chargor to be the subject of an effective fixed charge or assignment pursuant to Clause 3 (*Fixed charges, assignments and floating charge*) and, promptly upon obtaining any such consent, the asset concerned shall become subject to such security and such Chargor shall promptly deliver a copy of each consent to the Noteholder.

**6.4 Implied covenants for title**

The obligations of each Chargor under this Debenture and any Mortgage shall be in addition to the covenants for title deemed to be included in this Debenture and any Mortgage by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

**6.5 Value of security**

No Chargor shall do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value of the security created or intended to be created by this Debenture.

**7. NEGATIVE PLEDGE AND DISPOSALS**

**7.1 Security**

Each Chargor shall not (and shall not agree to), at any time during the subsistence of this Debenture any Mortgage or any Scottish Assignment in Security, create or permit to subsist any Security over all or any part of the Charged Property other than Permitted Security or as otherwise permitted under the Loan Note Amendment Agreement.

## **7.2 No disposal of interests**

Each Chargor shall not (and shall not agree to) at any time during the subsistence of this Debenture or any Mortgage or any Scottish Assignment in Security, except as permitted pursuant to the Loan Note Amendment Agreement or by this Clause 7:

- 7.2.1** execute any conveyance, transfer, lease, assignment or assignation of, or other right to use or occupy, all or any part of the Charged Property; or
- 7.2.2** create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property; or
- 7.2.3** (a) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the Charged Property or (b) allow or grant any person any licence or right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the Charged Property, which may, in each case, adversely affect the validity, enforceability or value of any of the Charged Property or the ability of the Noteholder to exercise any of the Collateral Rights; or
- 7.2.4** assign or otherwise dispose of any interest in any Account and no right, title or interest in relation to any Account maintained with the Noteholder, or the credit balance standing to any such Account shall be capable of assignment or other disposal; or
- 7.2.5** lend or otherwise dispose of, or grant any rights (whether of pre-emption or otherwise) over, all or any part of the Investments or any Related Rights.

## **8. SHARES AND INVESTMENTS**

### **8.1 Shares: before an Enforcement Event**

Prior to the occurrence of an Enforcement Event, each Chargor shall:

- 8.1.1** pay all dividends, interest and other monies arising from the Shares and/or Related Rights into an Account; and
- 8.1.2** be entitled to exercise all voting rights in relation to the Shares **provided** that such Chargor shall not exercise such voting rights in any manner inconsistent with the security created or intended to be created by this Debenture or which is in breach of any Finance Document, or otherwise permit or agree to any (a) variation of the rights attaching to or conferred by any of the Shares or (b) increase in the issued share capital of any company whose Shares are charged pursuant to this Debenture, which in the opinion of the Noteholder would prejudice the value of, or the ability of the Noteholder to realise the security created by, this Debenture.

### **8.2 Shares: after an Enforcement Event**

Upon the occurrence of an Enforcement Event, the Noteholder may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from such 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 monies arising from the Shares in accordance with Clause 19 (*Application of monies*);
- 8.2.3 transfer the Shares into the name of such nominee(s) of the Noteholder as it shall require; 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 event);
  - (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 Noteholder may think fit, and the proceeds of any such action shall form part of the Charged Property.

#### **8.3 Investments and Shares: payment of calls**

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Investments and Shares or any Related Rights, and in any case of default by such Chargor in such payment, the Noteholder may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by the Noteholder shall be reimbursed by such Chargor to the Noteholder on demand and shall carry interest from the date of payment by the Noteholder until reimbursed at the rate and in accordance with Clause 2.2 (*Interest on demands*).

#### **8.4 Investments: delivery of documents of title**

After the occurrence of an Enforcement Event, each Chargor shall, promptly on the request of the Noteholder, deliver (or procure delivery) to the Noteholder, and the Noteholder shall be entitled to retain, all of the Investments and any certificates and other documents of title representing the Investments to which each Chargor (or its

nominee(s)) is or becomes entitled together with any other document which the Noteholder may reasonably request (in such form and executed as the Noteholder may reasonably require) with a view to perfecting or improving its security over the Investments or to registering any Investment in its name or the name of any nominee(s).

**8.5 Investments: exercise of rights**

No Chargor shall exercise any of its rights and powers in relation to any of the Investments in any manner which, in the reasonable opinion of the Noteholder, would prejudice the value of, or the ability of the Noteholder to realise, the security created by this Debenture.

**8.6 No restrictions on transfer**

Each Chargor shall:

**8.6.1** ensure that the Shares and Related Rights are at all times free from any restriction on transfer (whether under any relevant constitutional documents or otherwise) by the Noteholder (or its nominee(s)) to perfect or enforce the security conferred or intended to be conferred by this Debenture; and

**8.6.2** procure that the board of directors of each Chargor approves any transfer of any of the Shares and Related Rights desired to be made by the Noteholder in the exercise of the rights, powers and remedies conferred upon it by this Debenture or by law.

**8.7 Communications and PSC notices**

**8.7.1** Each Chargor shall notify the Noteholder of the contents of any communication or document received by it in relation to any of the Shares and Related Rights.

**8.7.2** Each Chargor shall promptly copy to the Noteholder and comply with all requests for information which are made under a PSC Notice, PSC Warning Notice or PSC Restrictions Notice relating to the Shares. If it fails to do so, the Noteholder may elect to provide such information as it may have on behalf of the relevant Chargor.

**8.8 Variation of rights**

No Chargor shall, by the exercise of any voting rights or otherwise, permit or agree to any proposed compromise, arrangement, capital reorganisation, conversion, exchange, repayment or takeover offer affecting or in respect of any of the Shares or Related Rights.

**8.9 Obligations generally**

Each Chargor shall comply with every covenant (whether restrictive or otherwise), obligation and provision on its part to be complied with (and use all reasonable endeavours to procure compliance by each other party thereto with every covenant, obligation and provision on the part of each such other party to be complied with) contained in any document affecting the Shares and Related Rights or their use and enjoyment.

## **9. ACCOUNTS**

### **9.1 Accounts: notification and variation**

Each Chargor, during the subsistence of this Debenture:

**9.1.1** shall promptly deliver to the Noteholder on the date of this Debenture and in the case of an Additional Chargor on the date of any Deed of Accession executed by such Additional Chargor (and, if any change occurs thereafter, on the date of such change), details of each Account maintained by it with any bank or financial institution (other than with the Noteholder);

**9.1.2** shall maintain each Account; and

**9.1.3** shall not, without the Noteholder's prior written consent, such consent not to be unreasonably withheld or delayed (save where there would be in the Noteholder's reasonable opinion a materially adverse effect on the security created under any Finance Document), permit or agree to any variation of the rights attaching to any Account or close any Account.

### **9.2 Accounts: operation before an Enforcement Event**

Prior to the occurrence of an Enforcement Event, each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account, subject to the terms of the Loan Note Amendment Agreement and the Account Bank Agreement.

### **9.3 Accounts: operation after an Enforcement Event**

After the occurrence of an Enforcement Event, no Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Noteholder.

### **9.4 Assigned Accounts**

**9.4.1** No Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account except with the prior consent of the Noteholder.

**9.4.2** The Noteholder shall, upon the occurrence of an Enforcement Event, be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Assigned Accounts and to:



- (a) demand and receive all and any monies due under or arising out of each Assigned Account; and
- (b) exercise all such rights as the relevant Chargor was then entitled to exercise in relation to such Assigned Account or might, but for the terms of this Debenture, exercise.

**9.5 Accounts: application of monies**

Upon the occurrence of an Enforcement Event or this security otherwise becoming enforceable pursuant to Clause 15.1 (*Enforcement*), the Noteholder shall be entitled without notice to apply, transfer or set off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 19 (*Application of monies*).

**9.6 Accounts: representations**

Each Chargor represents to the Noteholder on the date of this Debenture and on each day prior to the release of the security constituted by this Debenture in accordance with Clause 23.1 (*Redemption of security*) that:

- 9.6.1 each Account and Assigned Account is the subject of an appropriate mandate in form and content reasonably satisfactory to the Noteholder which shall be irrevocable until such time as each of the Noteholder and such Chargor shall otherwise agree;
- 9.6.2 no party (other than the Noteholder) has any rights of set-off or counterclaim in respect of any Account or Assigned Account; and
- 9.6.3 none of the Accounts or Assigned Accounts is the subject of any claim, assertion, right, action or other restriction or arrangement of whatever nature which does or may impinge upon the ownership of the Accounts or Assigned Accounts by the relevant Chargor.

**10. INTELLECTUAL PROPERTY**

**10.1 Preservation of Charged Intellectual Property**

Each Chargor shall do all things necessary to safeguard and maintain the Charged Intellectual Property, including:

- 10.1.1 maintaining all Charged Intellectual Property on the relevant register, including (without limitation), payment of all renewal fees due in respect thereof;
- 10.1.2 completing the registration of any outstanding applications to register Charged Intellectual Property, including (without limitation), payment of all applicable registration fees thereof; and

**10.1.3** observing and performing:

- (a) all applicable requirements of all laws relating to the Charged Intellectual Property;
- (b) any conditions attaching to any registration of the Charged Intellectual Property; and
- (c) any notices or other orders made by any person or body in relation to the Charged Intellectual Property.

**10.2** **Unauthorised third party use**

**10.2.1** Each Chargor shall take all reasonable and appropriate actions necessary to cease any infringement or unauthorised use by a third party of the Charged Intellectual Property.

**10.2.2** Each Chargor shall promptly notify the Noteholder in the event of any infringement or unauthorised use of any Charged Intellectual Property which is reasonably likely to have a Material Adverse Effect.

**11. MONETARY CLAIMS**

**11.1** **Dealing with Monetary Claims**

No Chargor shall, at any time during the subsistence of this Debenture, unless otherwise permitted pursuant to the Loan Note Amendment Agreement, without the prior written consent of the Noteholder (such consent not to be unreasonably withheld or delayed, save where there would be, in the Noteholder's reasonable opinion, a materially adverse effect on the security created under any Finance Document):

**11.1.1** deal with the Monetary Claims except by getting in and realising them in a prudent manner (on behalf of the Noteholder) and paying the proceeds of those Monetary Claims into an Account or as the Noteholder may require (and such proceeds shall be held upon trust by the relevant Chargor for the Noteholder prior to such payment in); or

**11.1.2** factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting.

**11.2** **Release of Monetary Claims: before an Enforcement Event**

Prior to the occurrence of an Enforcement Event, the proceeds of the realisation of the Monetary Claims shall (subject to any restriction on the application of such proceeds contained in this Debenture or in the Loan Note Amendment Agreement), upon such proceeds being credited to an Account (which for the avoidance of doubt shall not include an Assigned Account), be released from the fixed charge created pursuant to Clause 3.1 (*Fixed charges*) and each Chargor shall be entitled to withdraw such proceeds from such Account **provided** that such proceeds shall continue to be subject to the

floating charge created pursuant to Clause 3.3 (*Floating charge*) and the terms of this Debenture.

**11.3 Release of Monetary Claims: after an Enforcement Event**

After the occurrence of an Enforcement Event and except with the prior written consent of the Noteholder, each Chargor shall not be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account.

**12. INSURANCES**

**12.1 Insurance: undertakings**

Each Chargor shall at all times during the subsistence of this Debenture:

- 12.1.1** maintain Insurances with reputable Independent Insurance companies or underwriters on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business keep the Charged Property insured;
- 12.1.2** not do any act nor commit any default by which any Insurance Policy may become void or voidable;
- 12.1.3** promptly pay all premiums and other monies payable under all Insurance Policies and supply on request copies of each Insurance Policy required to be maintained in accordance with this Clause 12.1 (*Insurance: undertakings*) together with the current premium receipts relating to each such policy; and
- 12.1.4** If required by the Noteholder (but subject to the provisions of any lease of the Charged Property), deposit all Insurance Policies relating to the Charged Property with the Noteholder.

**12.2 Insurance: default**

If a Chargor defaults in complying with Clause 12.1 (*insurance: undertakings*), the Noteholder may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all monies reasonably expended by the Noteholder in doing so shall be reimbursed by such Chargor to the Noteholder on demand and shall carry interest from the date of payment by the Noteholder until reimbursed at the rate specified in Clause 2.2 (*interest on demands*).

**12.3 Application of insurance proceeds**

All monies which are not paid directly by the insurers to the Noteholder and are received by each Chargor under any Insurance Policies relating to the Charged Property shall (subject to the rights and claims of any person having prior rights to such monies):

- 12.3.1** prior to the occurrence of an Enforcement Event, be applied in accordance with the terms of the Intercreditor Agreement; and
- 12.3.2** after the occurrence of an Enforcement Event, be held by each Chargor on trust for the Noteholder pending payment to the Noteholder for application in accordance with Clause 19 (*Application of monies*) and each Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Property.

### **13. REAL PROPERTY**

#### **13.1 Property: notification**

Each Chargor shall immediately notify the Noteholder of any contract, conveyance, transfer or other disposition or the acquisition by each Chargor (or its nominee(s)) of any Real Property.

#### **13.2 Lease covenants**

Each Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Charged Property is at any time subject:

- 13.2.1** pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or, (if the lessee) on the lessee; and
- 13.2.2** not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term.

#### **13.3 General property undertakings**

Each Chargor shall:

- 13.3.1** repair and keep in good and substantial repair and condition all the Real Property at any time forming part of the Charged Property;
- 13.3.2** not at any time without the prior written consent of the Noteholder (such consent not to be unreasonably withheld or delayed, save where there would be, in the Noteholder's reasonable opinion, a materially adverse effect on the security created under any Finance Document) sever or remove any of the fixtures forming part of the Real Property or any of the plant or machinery (other than stock in trade or work in progress) on or in the Charged Property (except for the purpose of any necessary repairs or replacement of it); and
- 13.3.3** comply with and observe and perform (a) all applicable requirements of all planning and environmental legislation, regulations and bye-laws relating to

the Real Property, (b) any conditions attaching to any planning permissions relating to or affecting the Real Property and (c) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of the Real Property.

**13.4 Entitlement to remedy**

If any Chargor fails to comply with any of the undertakings contained in this Clause 13, the Noteholder shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may, in the reasonable opinion of the Noteholder, be required to remedy such failure and all monies spent by the Noteholder in doing so shall be reimbursed by each Chargor to the Noteholder on demand with interest from the date of payment by the Noteholder until reimbursed in accordance with Clause 2.2 (*Interest on demands*).

**14. SPECIFIC CONTRACTS**

Each Chargor shall not at any time during the subsistence of this Debenture make or agree to make any amendments, variations or modifications to the Specific Contracts or waive any of its rights under the Specific Contracts, without the prior written consent of the Noteholder (save that all Related Rights shall, until the occurrence of an Enforcement Event, be exercised by and at the sole discretion of each Chargor, subject always to the terms of the Loan Note Amendment Agreement).

**15. ENFORCEMENT OF SECURITY**

**15.1 Enforcement**

At any time after the occurrence of an Enforcement Event, or if each Chargor requests the Noteholder to exercise any of its powers under this Debenture or any Mortgage or any Scottish Assignment in Security, or if a petition or application is presented for the making of an administration order in relation to each Chargor, or if any person who is entitled to do so gives written notice of its intention to appoint an administrator of each Chargor or files such a notice with the court, the security created by or pursuant to this Debenture or any Mortgage or any Scottish Assignment in Security is immediately enforceable and the Noteholder may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

**15.1.1** enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property and the Noteholder (or its nominee(s)) shall have an immediate and absolute power of sale or other disposition over the Charged Property (including, without limitation, the power to execute, seal, deliver or otherwise complete any transfers or other documents required to vest any of the Shares and/or Related Rights in the Noteholder, any of its nominees or in any purchaser of any of the Shares and/or Related Rights); and

**15.1.2** whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the LPA (as varied or extended by this Debenture and each Mortgage) on mortgagees and by this Debenture and each Mortgage or any Scottish Assignment in Security on any Receiver or otherwise conferred by law on mortgagees or Receivers.

**15.2 No liability as mortgagee in possession**

Neither the Noteholder nor any of its nominees nor any Receiver shall be liable to account as a mortgagee or security holder in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee, security holder or mortgagee in possession might otherwise be liable, and in particular the Noteholder (or its nominee(s)) or any Receiver shall not be liable for any loss occasioned by any exercise or non-exercise of rights attached to the Shares or the Related Rights or by any failure to report to any Chargor any notice or other communication received in respect of the Shares.

**15.3 Right of appropriation**

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of any Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "Regulations")) the Noteholder shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (a) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and (b) in the case of Investments and/or Shares, the market price of such Investments and/or Shares determined by the Noteholder by reference to a public index or by such other process as the Noteholder may select, including independent valuation. In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

**15.4 Effect of moratorium**

The Noteholder shall not be entitled to exercise its rights under Clause 15.1 (*Enforcement*), Clause 17.1 (*Appointment and removal*) (other than Clause 17.1.5) or Clause 4 (*Crystallisation of floating charge*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

**15.5 Scottish security**

PerfectHome Capital and Temple Finance hereby covenant, undertake and agree that if at any time after the Security constituted by or pursuant to this Debenture shall have become enforceable and the Noteholder or any Receiver shall so require, it will sell or dispose of (or procure the sale and disposal of) all or any part of the relevant Scottish Assets on terms previously approved by the Noteholder or any Receiver and/or in causing the trust constituted by each or any Scottish Transfer to be wound up and/or performed and they will use all reasonable endeavours to take all actions and execute all such documents as may be necessary to effect or procure such sale or disposal or winding up or performance and the distribution or transfer of the Scottish Assets or any part thereof in accordance with the terms of the relevant Scottish Transfer, the relevant Scottish Assignment in Security and this Debenture. PerfectHome Capital and Temple Finance hereby acknowledge and consent to the foregoing as beneficiary and trustee respectively in terms of the relevant Scottish Trusts.

**16. EXTENSION AND VARIATION OF THE LPA**

**16.1 Extension of powers**

The power of sale or other disposal conferred on the Noteholder, its nominee(s) and any Receiver by this Debenture, each Mortgage or any Scottish Assignment in Security shall operate as a variation and extension of the statutory power of sale under Section 101 of the LPA and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture and each Mortgage or any Scottish Assignment in Security.

**16.2 Restrictions**

The restrictions contained in Sections 93 and 103 of the LPA shall not apply to this Debenture and each Mortgage or to the exercise by the Noteholder of its right to consolidate all or any of the Charges with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Noteholder without notice to any Chargor on or at any time after the occurrence of an Enforcement Event.

**16.3 Power of leasing**

The statutory powers of leasing may be exercised by the Noteholder at any time on or after the occurrence of an Enforcement Event and the Noteholder and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA.

**16.4 Transfer of Security**

**16.4.1** At any time after the occurrence of an Enforcement Event, the Noteholder may:

- (a) redeem any prior Security against any Charged Property; and/or

- (b) procure the transfer of any such Security to itself; and/or
- (c) settle and pass the accounts of the prior mortgagee or chargee; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor.

**16.4.2** Each Chargor shall pay to the Noteholder, within three Business Days of demand, the costs and expenses incurred by the Noteholder in taking any action contemplated by Clause 16.4.1, including the payment of any principal or interest.

**16.5 Suspense account**

If the Charges are enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Noteholder (or any Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

**17. APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

**17.1 Appointment and removal**

After the occurrence of an Enforcement Event, or if a petition or application is presented for the making of an administration order in relation to any Chargor, or if any person who is entitled to do so gives written notice of its intention to appoint an administrator of any Chargor or files such a notice with the court or if requested to do so by any Chargor, the Noteholder may by deed or otherwise (acting through an authorised officer of the Noteholder), without prior notice to any Chargor and in relation to each Chargor:

- 17.1.1** appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- 17.1.2** appoint two or more Receivers of separate parts of the Charged Property;
- 17.1.3** remove (so far as it is lawfully able) any Receiver so appointed;
- 17.1.4** appoint another person(s) as an additional or replacement Receiver(s); and
- 17.1.5** appoint one or more persons to be an administrator of such Chargor.

**17.2 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 17.1 (*Appointment and removal*) shall be:

- 17.2.1** entitled to act individually or together with any other person appointed or substituted as Receiver;
- 17.2.2** for all purposes shall be deemed to be the agent of the relevant Chargor which shall be solely responsible for his acts, defaults and liabilities and for



the payment of his remuneration and no Receiver shall at any time act as agent for the Noteholder; and

- 17.2.3** entitled to remuneration for his services at a rate to be fixed by the Noteholder from time to time (without being limited to the maximum rate specified by the LPA).

**17.3 Statutory powers of appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Noteholder under the LPA (as extended by this Debenture and each Mortgage or any Scottish Assignment in Security) or otherwise and such powers shall remain exercisable from time to time by the Noteholder in respect of any part of the Charged Property. Except as provided in Clause 15.4 (*Effect of moratorium*), any restriction imposed by law on the right of a mortgagee to appoint a receiver (including under section 109(1) of the LPA) does not apply to this Debenture.

**18. POWERS OF RECEIVER**

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of a Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of a Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of relevant Chargor or in his own name and, in each case, at the cost of such Chargor):

- 18.1.1** all the powers conferred by the LPA on mortgagors and on mortgagees in possession and on receivers appointed under the LPA;
- 18.1.2** all the powers of an administrative receiver set out in Schedule 1 and 2 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 18.1.3** all the powers and rights of an absolute owner and power to do or omit to do anything which the relevant Chargor itself could do or omit to do; and
- 18.1.4** the power to do all things (including bringing or defending proceedings in the name or on behalf of the relevant Chargor) which seem to the Receiver to be incidental or conducive to (a) any of the functions, powers, authorities or discretions conferred on or vested in him or (b) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or (c) bringing to his hands any assets of the relevant Chargor forming part of, or which when got in would be, Charged Property.

**19. APPLICATION OF MONIES**

All monies received or recovered by the Noteholder, its nominee(s) or any Receiver pursuant to this Debenture and each Mortgage or any Scottish Assignment in Security or

the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the LPA) be applied first in the payment of the costs, charges and expenses incurred and payments made by the Receiver, the payment of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Noteholder (notwithstanding any purported appropriation by any Chargor) in accordance with clause 15.1 (*Order of application*) of the Intercreditor Agreement.

## **20. PROTECTION OF PURCHASERS**

### **20.1 Consideration**

The receipt of the Noteholder, its nominee(s) or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Noteholder, its nominee(s) or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

### **20.2 Protection of purchasers**

No purchaser or other person dealing with the Noteholder, its nominee(s) or any Receiver shall be bound to inquire whether the right of the Noteholder, such nominee(s) or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Noteholder, such nominee(s) or such Receiver in such dealings.

## **21. POWER OF ATTORNEY**

### **21.1 Appointment and powers**

Each Chargor by way of security irrevocably appoints the Noteholder and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required for:

**21.1.1** carrying out any obligation imposed on each Chargor by this Debenture (including the completion, execution and delivery of any Mortgages, deeds, charges, assignments or other security and any transfers of the Charged Property); and

**21.1.2** enabling the Noteholder and any Receiver to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on them by or pursuant to this Debenture or any Mortgage or any Scottish Assignment in Security or by law (including the exercise of any right of a legal or beneficial owner of the Charged Property) and (without prejudice to the generality of the foregoing) to execute as a deed or under hand and deliver and otherwise perfect any deed, assurance, agreement, instrument

or act which it may reasonably deem proper in or for the purpose of exercising any of such rights, powers, authorities and discretions.

**21.2 Exercise of power of attorney**

The Noteholder may only exercise the power of attorney granted by a Chargor pursuant to Clause 21.1 (*Appointment and powers*) following:

- 21.2.1 the occurrence of an Enforcement Event; or
- 21.2.2 the failure by such Chargor to comply with any further assurance or perfection of security obligations required by the terms of this Debenture or any Mortgage or any Scottish Assignment in Security within five Business Days of such further assurance or perfection of security obligation arising.

**21.3 Ratification**

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

**21.4 Noteholder's power to remedy breaches**

If at any time any Chargor fails to perform any of the covenants contained in this Debenture it shall be lawful for the Noteholder, but the Noteholder shall have no obligation, to take such action on behalf of such Chargor (including, without limitation, the payment of money) as may in the Noteholder's reasonable opinion be required to ensure that such covenants are performed. Any losses, costs, charges and expenses incurred by the Noteholder in taking such action shall be reimbursed by such Chargor within 3 Business Days of demand.

**22. EFFECTIVENESS OF SECURITY**

**22.1 Continuing security**

- 22.1.1 The Charges shall remain in full force and effect as a continuing security for the Secured Obligations unless and until the Secured Obligations have been irrevocably and unconditionally discharged in full and the Finance Parties have no further obligation to make any advance available to any Obligor pursuant to any Finance Document.
- 22.1.2 No part of the security from time to time intended to be constituted by this Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

**22.2 Cumulative rights**

The Charges and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Noteholder may at any time hold for the Secured

Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Noteholder (whether in its capacity as trustee or otherwise) over the whole or any part of the Charged Property shall merge into the security constituted by this Debenture and any Mortgage or any Scottish Assignment in Security.

### **22.3 Remedies and waivers**

No failure on the part of the Noteholder to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver of that Collateral Right, nor shall any single or partial exercise of any Collateral Right preclude any further or other exercise of that or any other Collateral Right.

### **22.4 No liability**

None of the Noteholder, its nominee(s) or any Receiver shall be liable by reason of (a) taking any action permitted by this Debenture or any Mortgage or any Scottish Assignment in Security or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property.

### **22.5 Partial invalidity**

If, at any time, any provision of this Debenture or any Mortgage or any Scottish Assignment in Security is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture or any Mortgage or any Scottish Assignment in Security nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Debenture or any Mortgage or any Scottish Assignment in Security is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

### **22.6 Waiver of defences**

Neither the obligations of each Chargor under this Debenture, each Mortgage and/or each Scottish Assignment in Security nor the Charges will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any of the Charges (without limitation and whether or not known to it) including:

**22.6.1** any time, waiver or consent granted to, or composition with, any person; or

**22.6.2** the release of any person under the terms of any composition or arrangement with any creditor of any member of the Group; or

**22.6.3** 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 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; or

- 22.6.4** any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person; or
- 22.6.5** any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security or of the Secured Obligations (including, without limitation, any increase to the Secured Obligations as may be agreed by each Chargor from time to time); or
- 22.6.6** any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security or of the Secured Obligations; or
- 22.6.7** any insolvency or similar proceedings.

**22.7 Immediate recourse**

Each Chargor waives any right it may have of first requiring the Noteholder to proceed against any other Chargor or Obligor or any other person or enforce any other rights or security or claim payment from any person before claiming from such Chargor under this Debenture or any Mortgage or any Scottish Assignment in Security. This waiver applies irrespective of any law or any provision of this Debenture to the contrary or any Mortgage or any Scottish Assignment in Security to the contrary.

**22.8 Deferral of rights**

Until such time as the Secured Obligations have been discharged in full, each Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or any Mortgage or any Scottish Assignment in Security:

- 22.8.1** to be indemnified by any Obligor;
- 22.8.2** to claim any contribution from any other Chargor or any guarantor of any Obligor's obligations under this Debenture or under any other Finance Document;
- 22.8.3** to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Noteholder under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, this Debenture or any Mortgage or any Scottish Assignment in Security by the Noteholder;
- 22.8.4** 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

Obligor has given a guarantee, undertaking or indemnity under this Debenture or any Mortgage or any Scottish Assignment in Security;

**22.8.5** to exercise any right of set-off against any Obligor; and/or

**22.8.6** to claim or prove as a creditor of any Obligor in competition with the Noteholder.

## **23. RELEASE OF SECURITY**

### **23.1 Redemption of security**

Upon the Secured Obligations being irrevocably and unconditionally discharged in full and the Noteholder not being under any further actual or contingent obligation to make advances or provide other financial accommodation to any Chargor, any Obligor or any other person under any of the Finance Documents, the Noteholder shall, at the request and cost of the Chargors, release and cancel the security constituted by or pursuant to this Debenture and procure the reassignment or, as applicable, retrocession to the relevant Chargors of the property and assets assigned to the Noteholder pursuant to this Debenture, in each case subject to Clause 23.2 (*Avoidance of payments*) and without recourse to, or any representation or warranty by, the Noteholder or any of its nominees.

### **23.2 Avoidance of payments**

If the Noteholder considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of each Chargor under, and the security created by or pursuant to, this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

## **24. SET-OFF**

Each Chargor authorises the Noteholder (but the Noteholder shall not be obliged to exercise such right) to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Noteholder to such Chargor and apply any credit balance to which such Chargor is entitled on any account with the Noteholder in accordance with Clause 19 (*Application of monies*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

## **25. SUBSEQUENT SECURITY INTERESTS**

If the Noteholder at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture or any Mortgage or the Loan Note Amendment Agreement, all payments made thereafter by or on behalf of any Chargor to the Noteholder shall be treated as having been

credited to a new account of such Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Noteholder received such notice.

**26. ASSIGNMENT**

The Noteholder may assign and transfer all or any of its rights and obligations under this Debenture or any Mortgage or any Scottish Assignment in Security. The Noteholder shall be entitled to disclose such information concerning each Chargor and this Debenture or any Mortgage or any Scottish Assignment in Security as the Noteholder considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

**27. NOTICES**

The provisions of clause 14 (*Notices*) of the Loan Note Amendment Agreement shall apply to this Debenture.

**28. DISCRETION AND DELEGATION**

**28.1 Discretion**

Any liberty or power which may be exercised or any determination which may be made under this Debenture or under any Mortgage or any Scottish Assignment in Security by the Noteholder or any Receiver may, subject to the terms and conditions of the Intercreditor Agreement be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

**28.2 Delegation**

Each of the Noteholder and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) or any Mortgage on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise any subsequent delegation or any revocation of such power, authority or discretion by the Noteholder or the Receiver itself. Neither the Noteholder nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

**29. 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.

**30. GOVERNING LAW**

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

**31. JURISDICTION OF ENGLISH COURTS AND PROCESS AGENT**

- 31.1** The courts of England have exclusive jurisdiction to settle any dispute arising out of, or connected with this Debenture or any Mortgage (including a dispute regarding the existence, validity or termination of this Debenture or any Mortgage or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Debenture or any Mortgage) (a "Dispute").
- 31.2** The parties to this Debenture agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.
- 31.3** Notwithstanding Clause 31.1 above, the Noteholder shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Noteholder may take concurrent proceedings in any number of jurisdictions.
- 31.4** Without prejudice to any other mode of service allowed under any relevant law, each Chargor (other than a Chargor incorporated in England and Wales):
- 31.4.1** Irrevocably appoints PerfectHome Capital as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed (and PerfectHome Capital by its execution of this Deed, accepts that appointment); and
- 31.4.2** agrees that failure by an agent for service of process to notify the relevant Chargor of the process will not invalidate the proceedings concerned.
- 31.5** If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, PerfectHome Capital (on behalf of all the Chargors) must immediately (and in any event within 5 days of such event taking place) appoint another agent on terms acceptable to the Noteholder. Failing this, the Noteholder may appoint another agent for this purpose.

**THIS DEBENTURE** has been signed on behalf of the Noteholder and executed as a deed by each Original Chargor and is delivered by it on the date specified above.



SIGNATURES

The Chargors

EXECUTED as a DEED )  
By PERFECT HOME HOLDINGS )  
LTD )

Director

In the presence of:

Witness Signature:

Witness Name:

Witness Address:

Pinsent Masons  
30 Crown Place  
London  
EC2A 4ES

Witness Occupation:

TRAINING SOLICITOR

EXECUTED as a DEED )  
By PERFECT HOME FINANCE )  
LTD )

Director

In the presence of:

Witness Signature:

Witness Name:

Witness Address:

Pinsent Masons  
30 Crown Place  
London  
EC2A 4ES

Witness Occupation:

TRAINING SOLICITOR

EXECUTED as a DEED )  
By TEMPLE RETAIL )  
LIMITED )

Director

in the presence of:

Witness Signature:

Witness Name:

Witness Address:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Pinsent Masons  
30 Crown Place  
London  
EC2A 4ES

Witness Occupation:

TRAINEE SOLICITOR

EXECUTED as a DEED  
By TEMPLE FINANCE  
LIMITED

)  
)  
) [REDACTED]

Director

in the presence of:

Witness Signature:

Witness Name:

Witness Address:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Pinsent Masons  
30 Crown Place  
London  
EC2A 4ES

Witness Occupation:

TRAINEE SOLICITOR

EXECUTED as a DEED  
By COLESHILL FINANCIAL  
SERVICES LIMITED

)  
)  
) [REDACTED]

Director

in the presence of:

Witness Signature:

Witness Name:

Witness Address:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Pinsent Masons  
30 Crown Place  
London  
EC2A 4ES

Witness Occupation:

TRAINING SOLICITOR

EXECUTED as a DEED )

By PERFECTHOME CAPITAL )

LIMITED )

[REDACTED]

Director

In the presence of:

Witness Signature:

[REDACTED]

Witness Name:

[REDACTED]

Witness Address:

[REDACTED]

Pinsent Masons  
30 Crown Place  
London  
EC2A 4ES

Witness Occupation:

TRAINING SOLICITOR

EXECUTED as a DEED )

By COLESHILL HOLDINGS )

LIMITED )

[REDACTED]  
Director

In the presence of:

Witness Signature:

[REDACTED]

Witness Name:

[REDACTED]

Witness Address:

[REDACTED]

Witness Occupation:

[REDACTED]

Witness Occupation: .....

EXECUTED as a DEED )  
By PERFECTHOME CAPITAL )  
LIMITED )

.....  
Director

In the presence of:

Witness Signature: .....

Witness Name: .....

Witness Address: .....

Witness Occupation: .....

EXECUTED as a DEED )  
By COLESHILL HOLDINGS )  
LIMITED )

.....  
Director

In the presence of:

Witness Signature: .....

Witness Name: .....

Witness Address: .....

Witness Occupation: .....

.....  
*Comptroller*

**EXECUTED as a DEED**  
**By COLESHILL INVESTMENTS**  
**LIMITED**

Director

In the presence of:  
Witness Signature:

Witness Name:

Witness Address:

Witness Occupation:

TRUST...ADMINISTRATOR

**The Noteholder**

**EXECUTED as a DEED**  
**by AARON'S, INC.**

By:

(Authorised Signatory)

EXECUTED as a DEED )  
By COLESHILL INVESTMENTS )  
LIMITED )

Director

In the presence of:

Witness Signature: .....

Witness Name: .....

Witness Address: .....

Witness Occupation: .....

The Noteholder

EXECUTED as a DEED )  
by AARON'S, INC. )  
)

By:   
(Authorised Signatory)

**SCHEDULE 1  
ORIGINAL CHARGORS**

| NAME                                    | JURISDICTION      | REGISTERED<br>NUMBER | REGISTERED OFFICE                                                                                                                         |
|-----------------------------------------|-------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Perfect Home<br>Holdings Ltd            | England and Wales | 06016659             | Coleshill Manor,<br>Coleshill Manor Office<br>Campus, Coleshill,<br>West Midlands, B46<br>1DL                                             |
| Perfect Home Finance<br>Ltd             | England and Wales | 06020013             | Coleshill Manor,<br>Coleshill Manor Office<br>Campus, Coleshill,<br>West Midlands, B46<br>1DL                                             |
| Temple Retail Limited                   | England and Wales | 05981917             | Coleshill Manor Office<br>Campus Coleshill<br>Manor Office<br>Campus, South Drive,<br>Coleshill,<br>Birmingham, West<br>Midlands, B46 1DL |
| Temple Finance<br>Limited               | England and Wales | 05671852             | Coleshill Manor Office<br>Campus Coleshill<br>Manor Office<br>Campus, South Drive,<br>Coleshill,<br>Birmingham, West<br>Midlands, B46 1DL |
| Coleshill Financial<br>Services Limited | England and Wales | 07039707             | Coleshill Manor,<br>Coleshill Manor Office<br>Campus, Coleshill,<br>West Midlands, B46<br>1DL                                             |
| PerfectHome Capital<br>Limited          | England and Wales | 11020144             | Coleshill Manor,<br>Coleshill Manor Office<br>Campus, Coleshill,<br>West Midlands, B46<br>1DL                                             |

|                               |          |         |                                                                    |
|-------------------------------|----------|---------|--------------------------------------------------------------------|
| Coleshill Holdings Limited    | Malta    | C 44521 | The Landmark, Level 1, Suite 2, Triq-I-Hjun, Qormi QRM 3800, Malta |
| Coleshill Investments Limited | Guernsey | 54696   | Heritage Hall, Le Marchant Street, St Peter Port, Guernsey GY1 4HY |



**SCHEDULE 2**  
**DETAILS OF SHARES**

| SHAREHOLDER COMPANY NAME  | COMPANY IN WHICH SHARES HELD         | NUMBER AND TYPE OF SHARES                                                          |
|---------------------------|--------------------------------------|------------------------------------------------------------------------------------|
| Perfect Home Holdings Ltd | Perfect Home Finance Ltd             | 1 A Ordinary share of £0.01 each<br><br>85,844,722 B Ordinary shares of £0.01 each |
| Perfect Home Finance Ltd  | PerfectHome Capital Limited          | 1 Ordinary share of £1 each                                                        |
| Perfect Home Finance Ltd  | Temple Retail Limited                | 12,000,001 Ordinary shares of £1 each                                              |
| Temple Retail Limited     | Temple Finance Limited               | 20,000,001 Ordinary shares of £1 each                                              |
| Temple Retail Limited     | Coleshill Financial Services Limited | 1,000 Ordinary shares of £1 each                                                   |

**SCHEDULE 3**  
**DETAILS OF REAL PROPERTY**

None as at the date of this Deed.

**SCHEDULE 4**  
**DETAILS OF INTELLECTUAL PROPERTY**

| CHARGOR               | TRADE MARK<br>NUMBER | CLASSES    | MARK TEXT                  |
|-----------------------|----------------------|------------|----------------------------|
| Temple Retail Limited | 2419564              | 35, 36, 37 | PERFECTHOME<br>perfecthome |
| Temple Retail Limited | 2422811              | 35, 36, 37 | PerfectHome<br>PERFECTHOME |

**SCHEDULE 5**  
**FORM OF NOTICE OF ASSIGNMENT OF INSURANCES**

To: [Insurer]

Date: [•]

Dear Sirs,

We hereby give you notice that we have assigned to Aaron's, Inc. (the "Noteholder") pursuant to a debenture entered into by us in favour of the Noteholder dated [•] 2017 (subject to a provision for reassignment) all our right, title and interest in and to the proceeds of *[insert description and number of relevant insurance policy]* (the "Policy").

With effect from the date of your receipt of this notice we instruct you to:

1. make all payments and claims under or arising from the Policy (in accordance with the terms of that Policy) to us until such time as you receive notice from the Noteholder instructing you ("Payment Notice"). Upon receipt of a Payment Notice we instruct you to comply with all payment instructions in respect of any claims and payments under or arising from the Policy as set out in such Payment Notice; and
2. disclose to the Noteholder, without further approval from us, such information regarding the Policy as the Noteholder may from time to time request and to send it copies of all notices issued by you under the Policy.

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

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

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Noteholder at [•] marked for the attention of [•].

Yours faithfully

.....  
For and on behalf of [Company]

To: [Aaron's, Inc.]

Date: [•]

We acknowledge receipt of a notice in the terms set out above and confirm that we 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 such notice and that we will comply with the terms of that notice.

We further confirm that no amendment or termination of the Policy shall be effective unless we have given the Noteholder thirty days written notice of such amendment or termination.

For and on behalf of [Insurer]

By: .....

**SCHEDULE 6**  
**FORM OF NOTICE OF ASSIGNMENT OF ACCOUNT**

To: [Account Bank]

Date: [•]

Dear Sirs,

Re: [name of Company] – Security over Bank Account

| Name of Account | Account number and sort code |
|-----------------|------------------------------|
|                 |                              |

We hereby give you notice that we have assigned and charged to Aaron's, Inc. (the "Noteholder") pursuant to a debenture entered into by us in favour of the Noteholder dated [•] 2017 all of our right, title and interest in and to the account with you listed above (including any renewal or redesignation of such account) and all monies standing to the credit of that account from time to time (the "Account").

With effect from the date of your receipt of this notice[:

1. any existing payment instructions affecting the Account are to be terminated and all payments and communications in respect of the Account should be made to the Noteholder or to its order (with a copy to us); and
2. we are not entitled to receive, withdraw or otherwise transfer any credit balance from time to time on the Account except in accordance with the Loan Note Amendment Agreement between, amongst others, ourselves and the Noteholder dated [•] 2017 (or any replacement Loan Note Amendment Agreement between ourselves and the Noteholder) and until you receive written notice to the contrary from the Noteholder.

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

Please accept this notice by signing the enclosed acknowledgement and returning it to the Noteholder at [•] marked for the attention of [•].

Yours faithfully

.....  
For and on behalf of  
[Company]

To: Aaron's, Inc.

Date: [•]

At the request of the Noteholder and [Company] we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Account (as described in those terms). We confirm that:

1. the balance standing to the Account at today's date is [•], no fees or periodic charges are payable in respect of the Account and there are no restrictions on (a) the payment of the credit balance on the Account (except, in the case of a time deposit, the expiry of the relevant period) or (b) the assignment of the Account to the Noteholder or any third party;
2. we have not received notice of any previous assignments of, charges over or trusts in respect of, the Account and we will not, without the Noteholder's consent (a) exercise any right of combination, consolidation or set-off which we may have in respect of the Account or (b) amend or vary any rights attaching to the Account;
3. we will disclose to the Noteholder any information relating to the Account which the Noteholder may from time to time request;
4. we will hold all monies from time to time standing to the credit of the Account to the order of the Noteholder and will pay all or any part of those monies to the Noteholder (or as it may direct) promptly following receipt of written instructions from the Noteholder to that effect; and
5. we will act only in accordance with the instructions given by persons authorised by the Noteholder and we shall send all statements and other notices given by us relating to the Account to the Noteholder.

For and on behalf of [Account Bank]

By: .....

**SCHEDULE 7**  
**FORM OF NOTICE OF ASSIGNMENT OF SPECIFIC CONTRACT**

To: [Counterparty]

Date: [•]

Dear Sirs,

We hereby give you notice that we have assigned to Aaron's, Inc. ("Noteholder") pursuant to a debenture entered into by us in favour of the Noteholder dated [•] 2017 (the "Debenture") all our right, title and interest in and to [insert details of contract] (the "Contract") including all monies which may be payable to us in respect of the Contract.

With effect from the date of your receipt of this notice:

1. all payments by you to us under or arising from the Contract should be made to us until such time as you receive notice from the Noteholder instructing you otherwise ("Payment Notice"). Upon receipt of a Payment Notice we instruct you to comply with all payment instructions in respect of any payments to be made under or arising from the Contract as set out in the Payment Notice;
2. upon your receipt of a Payment Notice from the Noteholder:
  - 2.1 all remedies provided for in the Contract or available at law or in equity are exercisable by the Noteholder;
  - 2.2 all rights to compel performance of the Contract are exercisable by the Noteholder although each Chargor shall remain liable to perform all the obligations assumed by it under the Contract; and
  - 2.3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Noteholder to the exclusion of each Chargor and no changes may be made to the terms of the Contract otherwise than as provided for in the Loan Note Amendment Agreement between, amongst others, ourselves and the Noteholder dated [•] 2017;
3. you are authorised and instructed, without requiring further approval from us, to provide the Noteholder with such Information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Noteholder as well as to us; and
4. these instructions may not be revoked, nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Noteholder.

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



Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Noteholder at [•] marked for the attention of [•].

Yours faithfully

\*\*\*\*\*

For and on behalf of  
[Company]

To: [Aaron's, Inc.]

Date: [•]

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract and that we will comply with the terms of that notice.

We further confirm that no amendment, waiver or release of any of such rights, interests and benefits arising under the Contract shall be effective without the prior written consent of the Noteholder, unless it is of a minor technical or non-operational nature or in any way which could not be reasonably expected materially and adversely to affect the interests of the Noteholder.

For and on behalf of [Counterparty]

By: .....

**SCHEDULE 8  
FORM OF LEGAL MORTGAGE**

**DATED**

**20[•]**

**(1) [INSERT NAME OF COMPANY]**

**and**

**(2) AARON'S, INC.  
as Noteholder**

**MORTGAGE**

THIS DEED is dated [ ] 20[•] between:

- (1) [INSERT NAME OF COMPANY] registered in England and Wales with company number [•] (the "Chargor"); and
- (2) AARON'S, INC. a corporation incorporated under the laws of the State of Georgia, United States of America (the "Noteholder").

**BACKGROUND:**

It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**IT IS AGREED as follows:**

**1. DEFINITIONS**

Terms defined in the Loan Note Amendment Agreement shall, unless otherwise defined in the Debenture or this Mortgage, have the same meaning in this Mortgage and in addition:

**Debenture** means the debenture dated [•] 2017 between, inter alia, the Chargor and Aaron's, Inc. as the Noteholder.

**Loan Note Amendment Agreement** means the Loan Note Amendment Agreement dated on or about the date of this Debenture between, inter alia, Aaron's, Inc. (as noteholder), the Chargor and others, as amended, varied, novated or supplemented from time to time.

**Mortgaged Property** means:

- (a) the property specified in the Schedule (*Details of Mortgaged Property*); and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property,

and includes all Related Rights.

**Permitted Security** has the meaning given to it in the Loan Note Amendment Agreement.

**Related Rights** means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset.

**2. FIXED SECURITY**

The Chargor hereby charges with full title guarantee in favour of the Noteholder as security for the payment and discharge of the Secured Obligations, by way of legal mortgage all the Chargor's right, title and interest from time to time in the Mortgaged Property.

**3. IMPLIED COVENANTS FOR TITLE**

**3.1** The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 2 (*Fixed Security*).

**3.2** It shall be implied in respect of Clause 2 (*Fixed Security*) that the Chargor is disposing of the Mortgaged Property free from all charges and Incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

**4. APPLICATION TO THE CHIEF LAND REGISTRAR**

The Chargor hereby consents to an application being made to the Chief Land Registrar to enter the following restriction in the Proprietorship register of any property which is, or is required to be, registered forming part of the Mortgaged Property:

"No [~~disposition or specify type of disposition~~] of the registered estate [(other than a charge)] 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 mortgage dated [●] in favour of [*Noteholder name*] of [address] referred to in the charges register or [their conveyancer or specify appropriate details]."

**5. FURTHER ADVANCES**

**5.1** Should the Noteholder be under an obligation to make further advances to the Chargor, that obligation will be deemed to be incorporated into this Mortgage as if set out in this Mortgage.

**5.2** The Chargor hereby consents to an application being made to the Chief Land Registrar to enter the obligation to make further advances on the Charges register of any registered land forming part of the Mortgaged Property.

**6. RELEASE OF SECURITY**

**6.1 Redemption of security**

Upon the Secured Obligations being discharged in full and the Noteholder not being under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor, an Obligor or any other person under any agreement between the Noteholder and the Chargor, the Noteholder shall, at the request and cost of the Chargor, release and cancel the security constituted by this

Mortgage and procure the reassignment to the Chargor of the property and assets assigned to the Noteholder pursuant to this Mortgage, in each case subject to Clause 23.2 (*Avoidance of payments*) and without recourse to, or any representation or warranty by, the Noteholder or any of its nominees.

**6.2 Avoidance of payments**

If the Noteholder reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under, and the security constituted by, this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

**7. THIRD PARTY RIGHTS**

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

**8. GOVERNING LAW**

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

**9. COUNTERPARTS**

This Deed may be executed in any number of counterparts, each of which shall be deemed an original and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed. Any party may enter into this Mortgage by signing any such counterpart.

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

**SCHEDULE**  
**Details of Mortgaged Property**

| <b>Address of Property</b> | <b>Title Number</b> | <b>Freehold /<br/>Leasehold</b> | <b>Date / Parties to lease</b> |
|----------------------------|---------------------|---------------------------------|--------------------------------|
| [•]                        | [•]                 | [•]                             | [•]                            |

**SCHEDULE 9**  
**FORM OF NOTICE OF CHARGE OF LEASE**

To: [Landlord]

Date: [•]

**PURSUANT TO** the lease of which particulars appear in paragraph 1 below, **NOTICE IS HEREBY GIVEN** that the disposition, of which particulars appear in paragraph 2 below, has taken place.

|            |                                     |                                                      |
|------------|-------------------------------------|------------------------------------------------------|
| <b>1.</b>  | <b>LEASE</b>                        |                                                      |
| <b>1.1</b> | Date:                               |                                                      |
| <b>1.2</b> | Term:                               |                                                      |
| <b>1.3</b> | Parties: (1)<br>(2)                 |                                                      |
| <b>1.4</b> | Demised Premises:                   |                                                      |
| <b>2.</b>  | <b>DISPOSITION:</b>                 | Charge contained in a Debenture                      |
| <b>2.1</b> | Date:                               | [ ]                                                  |
| <b>2.2</b> | Parties: (1)<br>(2)                 | [Company] as the Company<br>[Bank] as the Noteholder |
| <b>2.3</b> | Name and Address of the Noteholder: | [Bank]<br>[Address]                                  |

**NOTES:** [1. The registration fee is enclosed.]

*It is requested that notice be given to the Noteholder of any breach of covenant by the tenant under the Lease.*

*This Notice is sent in duplicate and it is requested that one copy is signed as provided below and returned to the Noteholder.*

**SIGNED** .....

[Company]

**RECEIVED** a notice of which this is a duplicate

**SIGNED** .....

[Landlord]

Date:



**SCHEDULE 10**  
**FORM OF NOTICE OF CHARGE OF ACCOUNT**

To: **[Account Bank]**

Date: **[•]**

Dear Sirs

**Re: [name of Company] – Security over Bank Account**

| Name of Account | Account number and sort code |
|-----------------|------------------------------|
|                 |                              |

We hereby give you notice that we have charged to **[Aaron's, Inc.]** (the "Noteholder") pursuant to a debenture entered into by us in favour of the Noteholder dated **[•]** 2017 all of our right, title and interest in and to the accounts with you listed above (together, the "Accounts"), including all monies from time to time standing to the credit of such Accounts and the debts represented thereby.

We hereby irrevocably instruct and authorise you:

1. to credit to each Account all interest from time to time earned on the sums of money held in that Account;
2. to disclose to the Noteholder, without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Accounts and the sums in each Account as the Noteholder may request you to disclose to it, and following receipt by you of a written notice from the Noteholder of the occurrence of an Enforcement Event:
  - 2.1 to hold all sums from time to time standing to the credit of each Account to the order of the Noteholder;
  - 2.2 to pay or release all or any part of the sums from time to time standing to the credit of each Account only in accordance with the written instructions of the Noteholder; and
  - 2.3 to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Noteholder without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions.

By counter-signing this notice, the Noteholder confirms that we may make withdrawals from the Accounts in accordance with the terms of the Finance Documents until such time as the Noteholder notifies you in writing that an Enforcement Event has occurred and that such permission is withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Noteholder.

These Instructions cannot be revoked or varied without the prior written consent of the Noteholder.

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

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Noteholder at [•] marked for the attention of [•] with a copy to ourselves.

Yours faithfully

.....  
For and on behalf of  
[Company]

Counter-signed by

.....  
[•]  
Noteholder

To: [Noteholder]

Date: [•]

Dear Sirs

Re: [name of Company] – Security over Bank Account

| Name of Account | Account number and sort code |
|-----------------|------------------------------|
|                 |                              |

We confirm receipt of a notice dated [•] (the "Notice") from [•] (the "Company") of a charge, upon the terms of a Debenture dated [•] 2017, over all of the Company's right, title and interest in and to in the accounts in the name of the Company with us listed above (together, the "Accounts"), including all monies from time to time standing to the credit of such Accounts and the debts represented thereby.

We confirm that:

1. we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms;
2. we have not received notice of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest;
3. we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off, combination, consolidation, counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums;
4. until you notify us in writing of the occurrence of an Enforcement Event and further confirm that withdrawals by the Company are prohibited, the Company may make withdrawals from the Accounts; upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories; and
5. we will not seek to modify, vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent.

This letter and all matters including non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

By:

For and on behalf of  
[Account Bank]

**SCHEDULE 11  
FORM OF DEED OF ACCESSION**

**DATED [•] 20[•]**

**(1) [INSERT NAME OF COMPANY]**

**AND**

**(2) [INSERT NAME OF NOTEHOLDER]**

**DEED OF ACCESSION**

THIS DEED is dated [ ] 20[•] between:

**PARTIES**

- (1) [INSERT NAME OF COMPANY] registered in England and Wales with company number [•] (the "Additional Chargor"); and
- (2) [INSERT NAME OF NOTEHOLDER] of [•] as Noteholder (the "Noteholder").

**BACKGROUND**

- (A) The Additional Chargor is a Subsidiary of Perfect Home Holdings Ltd.
- (B) Perfect Home Holdings Ltd and others have entered into a debenture dated [•] 2017 (the "Debenture") between Perfect Home Holdings Ltd, the other Chargors under and as defined in the Debenture.
- (C) The Additional Chargor has agreed to enter into this Deed and to become an Additional Chargor under the Debenture.
- (D) The Noteholder and the Additional Chargor intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

**1. DEFINITIONS AND INTERPRETATION**

Terms defined in the Debenture have the same meaning in this Deed unless given a different meaning in this Deed. This Deed is a Finance Document.

**2. ACCESSION AND COVENANT TO PAY**

**2.1 With effect from the date of this Deed the Additional Chargor:**

- 2.1.1** will become a party to the Debenture as a Chargor; and
- 2.1.2** will be bound by all the terms of the Debenture which are expressed to be binding on a Chargor.

For the purposes of section 859D(2)(c) of the Companies Act 2006, the parties note that this includes the negative pledge provisions of Clause 7 (*Negative pledge and disposals*) of the Debenture.

- 2.2** The Additional Chargor hereby covenants with the Noteholder that it shall discharge all obligations, as and when they fall due in accordance with their terms, which the Chargors may at any time have to the Noteholder under or pursuant to the Finance Documents (including the Debenture and any Mortgage) including any liabilities in respect of any further advances made under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity). The Additional Chargor shall pay to the Noteholder

when due and payable every sum at any time owing, due or incurred by the Additional Chargor to the Noteholder in respect of any such liabilities, **provided that** neither such covenant nor the security constituted by the Debenture or any Mortgage shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law.

- 2.3** Neither the covenant to pay in clause 2.2 above nor the Security constituted by this Deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

### **3. GRANT OF SECURITY**

#### **3.1 Fixed Security**

The Additional Chargor hereby charges with full title guarantee in favour of the Noteholder as security for the payment and discharge of the Secured Obligations, by way of first fixed charge (which, so far as it relates to land in England and Wales vested in a Chargor at the date of this Debenture and listed in Schedule 3 (*Details of Real Property*) of this Deed shall be a charge by way of legal mortgage) all the Additional Chargor's right, title and interest from time to time in and to each of the following assets (subject in each case to obtaining any necessary consent to such mortgage or fixed charge from any third party) in each case both present and future:

- 3.1.1** the Real Property;
- 3.1.2** the Tangible Moveable Property;
- 3.1.3** the Accounts;
- 3.1.4** the Charged Intellectual Property;
- 3.1.5** any goodwill and rights in relation to the uncalled capital of the Additional Chargor;
- 3.1.6** the Investments and all Related Rights;
- 3.1.7** the Shares, all dividends, Interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise); and
- 3.1.8** all Monetary Claims other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Deed and all Related Rights.

**4. ASSIGNMENTS**

The Additional Chargor hereby assigns with full title guarantee to the Noteholder as security for the payment and discharge of the Secured Obligations, subject to a proviso for re-assignment on redemption, all the Additional Chargor's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party and without prejudice to the Additional Chargor's obligations under Clause 6.3 (*Consent of third parties*) of the Debenture, in each case both present and future:

- 4.1.1 the proceeds of any Insurance Policy;
- 4.1.2 all rights and claims in relation to any Assigned Account; and
- 4.1.3 each of the Specific Contracts,

and, in each case, all Related Rights.

**5. FLOATING CHARGE**

- 5.1.1 The Additional Chargor hereby charges with full title guarantee (or, in relation to assets situated in, or subject to the laws of, Scotland, with absolute warrandice) in favour of the Noteholder as security for the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertaking of the Additional Chargor (including, for the avoidance of doubt, all its present and future assets situated in Scotland or otherwise subject to Scots law), other than any asset which is situated in England and Wales and which is validly and effectively charged under the laws of England and Wales by way of fixed security created under this Deed in favour of the Noteholder as security for the Secured Obligations.
- 5.1.2 The floating charge created by this Clause 5 shall be deferred in point of priority to all fixed security validly and effectively created by a Chargor under the Finance Documents in favour of the Noteholder as security for the Secured Obligations.
- 5.1.3 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 5.

**6. LAND REGISTRY RESTRICTION**

The Additional Chargor consents to an application being made to the Chief Land Registrar to enter the following restriction in the Proprietorship Register of any property which is, or is required to be, registered and which forms part of the Real Property:

"No [*disposition or specify type of disposition*] of the registered estate [(other than a charge)] 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 debenture dated [•] in favour of [Noteholder name] of [address] or [their conveyancer or specify appropriate details]]."

## **7. MISCELLANEOUS**

### **7.1 Construction of Debenture**

With effect from the date of this Deed the Debenture will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this Deed);

### **7.2 References in Debenture**

With effect from the date of this Deed any reference in the Debenture to this Deed and similar phrases will include this deed and:

- 7.2.1** all references in the Debenture to Schedule 3 (*Details of Real Property*) (or any part of it) will include a reference to Schedule 1 (*Details of Real Property*) to this Deed (or relevant part of it);
- 7.2.2** all references in the Debenture to Schedule 4 (*Details of Intellectual Property*) (or any part of it) will include a reference to Schedule 2 (*Details of Intellectual Property*) to this Deed (or relevant part of it); and
- 7.2.3** all references in the Debenture to Schedule 2 (*Details of Shares*) (or any part of it) will include a reference to Schedule 3 (*Details of Shares*) to this Deed (or relevant part of it).

## **8. GOVERNING LAW**

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

## **9. JURISDICTION**

- 9.1** The courts of England have exclusive jurisdiction to settle any dispute arising out of, or connected with this Deed or any Mortgage (including a dispute regarding the existence, validity or termination of this Deed or any Mortgage or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Deed or any Mortgage) (a "Dispute").
- 9.2** The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.
- 9.3** Notwithstanding Clause 9.1 above, the Noteholder shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent

allowed by law the Noteholder may take concurrent proceedings in any number of jurisdictions.

**10. [SERVICE OF PROCESS]**

Without prejudice to any other mode of service allowed under any relevant law, the Additional Chargor:

**10.1.1** irrevocably appoints [●] as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed and any Finance Document; and

**10.1.2** agrees that failure by a process agent to notify the Additional Chargor of the process will not invalidate the proceedings concerned.]

**11. COUNTERPARTS**

This Deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument.

**IN WITNESS** whereof this Deed has been duly executed on the date first above written.

**SCHEDULE 1  
DETAILS OF REAL PROPERTY**

**Part II - Registered Land**

(Freehold or leasehold property (if any) in England and Wales of which the relevant Chargor is registered as the proprietor at the Land Registry) is registered as the proprietor at the Land Registry)

| <b>Chargor</b> | <b>County and District/<br/>London Borough</b> | <b>Description of Property</b> | <b>Title Number</b> |
|----------------|------------------------------------------------|--------------------------------|---------------------|
|----------------|------------------------------------------------|--------------------------------|---------------------|

**Part III - Unregistered Land**

(Freehold or leasehold property (if any) in England and Wales title to which is not registered at the Land Registry of which the relevant Chargor is the owner)

The freehold/leasehold property known as and comprised in the following title deed(s) or other document(s) of title:

| <b>Chargor</b> | <b>County and District/<br/>London Borough</b> | <b>Description of Property</b> | <b>Title Number</b> |
|----------------|------------------------------------------------|--------------------------------|---------------------|
|----------------|------------------------------------------------|--------------------------------|---------------------|

**SCHEDULE 2**  
**DETAILS OF INTELLECTUAL PROPERTY**

**SCHEDULE 3  
DETAILS OF SHARES**

| <b>Chargor</b> | <b>Name of Company<br/>in which Shares are<br/>held</b> | <b>Class of Shares</b> | <b>Number of<br/>Shares held</b> | <b>Issued Share<br/>Capital</b> |
|----------------|---------------------------------------------------------|------------------------|----------------------------------|---------------------------------|
| [•]            | [•]                                                     | [•]                    | [•]                              | [•]                             |

**SIGNATURES TO DEED OF ACCESSION**

**The Additional Chargor**

**EXECUTED as a DEED** )  
**by [●]** )

.....  
Director

.....  
Director/Secretary

**The Noteholder**

**EXECUTED as a DEED** )  
**by [NOTEHOLDER]** )

## SCHEDULE 12 FORM OF SCOTTISH ASSIGNATION IN SECURITY

### ASSIGNATION IN SECURITY BY:

- (1) **PERFECTHOME CAPITAL LIMITED**, a company incorporated under the laws of England and Wales, company number 11020144, and having its registered office at Coleshill Manor Office Campus, South Drive, Coleshill, Birmingham, West Midlands B46 1DL (the "Chargor"); and
- (2) **TEMPLE FINANCE LIMITED**, a company incorporated under the laws of England and Wales, company number 05671852, and having its registered office at Coleshill Manor Office Campus, South Drive, Coleshill, Birmingham, West Midlands B46 1DL (the "Temple Finance").

### WHEREAS:

- (A) This Deed is supplemental to a debenture dated [●] 2017 (the "Debenture") and granted by, amongst others, the Chargor and Temple Finance in favour of Aaron's, Inc.
- (B) In terms of the Intercreditor Agreement, the Noteholder holds the security constituted or to be constituted by or pursuant to the Debenture and the other Transaction Security Documents on trust for itself.
- (C) Pursuant to the terms of a sale agreement dated [●] 2017 between Temple Finance and the Chargor (the "Sale Agreement"), Temple Finance and the Chargor have entered into assignation and trust deeds with effective date[s] of [●] (the "Scottish Transfers") in respect of the Scottish Assets (as defined therein).
- (D) The Chargor proposes to assign by way of security to the Noteholder its rights under the Scottish Trusts (as defined in the Scottish Transfers) declared by Temple Finance pursuant to the Scottish Transfers.

### NOW THEREFORE it is AGREED as follows:

1. Unless otherwise defined herein, terms defined in this Deed or, where the context requires otherwise, words and expressions used in this Deed have the meanings and constructions ascribed to them in, as applicable, the Debenture, the Loan Note Amendment Agreement dated [●] 2017 between, amongst others, Aaron's, Inc. (as Noteholder) and the Chargor (as amended, varied, novated or supplemented from time to time, the "Loan Note Amendment Agreement") or any other Transaction Document (as that term is defined in the Loan Note Amendment Agreement).
2. The Chargor covenants with and undertakes to the Noteholder and binds and obliges itself that it will duly and punctually pay and discharge the Secured Obligations in accordance with the terms of Clause 2 of the Debenture.
3. The Chargor as holder of the beneficial interest therein and with absolute warrandice hereby assigns to and in favour of the Noteholder in security for the discharge and payment of the Secured Obligations its whole right, title and interest, present and future,

in, to and under the Scottish Transfers, the trusts created pursuant thereto and the Scottish Assets (as defined therein) surrogating and substituting the Noteholder in its full right and place therein and thereto.

4. The Chargor (for itself and on behalf of the Noteholder) hereby gives notice of and intimates the assignation in security made in terms of Clause 3 of this Deed to Temple Finance (as trustee under the Scottish Transfers) and Temple Finance hereby acknowledges such notice and intimation.
5. The obligations, undertakings, covenants, rights and powers specified and contained in the Debenture which relate to the property referred to in and the security and other rights and powers created under and pursuant to the Debenture shall in so far as the same are:
  - a) capable of application to the property referred to in Clause 3 of this Deed; and/or
  - b) capable of application to the security created pursuant to this Deed; and/or
  - c) capable of having equivalent or analogous effect under the laws of Scotland,(as the case may be) be deemed to be repeated herein and shall apply *mutatis mutandis* to the property referred to in Clause 3 of this Deed and the security and other rights and powers created under and pursuant to this Deed and that the whole remaining terms of the Debenture shall, except in so far as inconsistent herewith or with the laws of Scotland, apply *mutatis mutandis* to the provisions of this Deed insofar as it pertains to the assignation in security made in terms of Clause 3 of this Deed, provided always that this Deed shall be without prejudice to the Debenture and all of the rights, powers, obligations and immunities comprised therein and arising pursuant thereto, which shall remain in full force and effect notwithstanding this Deed.
6. This Deed shall be deemed delivered to the Noteholder on receipt by the Noteholder of a copy or copies of this Deed (executed by the Chargor and/or Temple Finance) (whether by fax, e-mail or otherwise) and whether or not the principal of this Deed is also physically delivered.
7. This Deed may be executed in any number of counterparts and by each of the parties on separate counterparts. Where executed in counterparts:
  - (a) this Deed will not take effect until each of the counterparts and the Scottish Transfers have been delivered;
  - (b) each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and
  - (c) the date of delivery may be inserted in the testing clause in the space provided for the effective date of this Deed.
8. This Deed and all non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of Scotland.



IN WITNESS WHEREOF these presents typewritten on this and the [two] preceding pages are executed in counterpart by the parties as undernoted, with an effective date of [●] and with the counterparts executed by PerfectHome Capital Limited and Temple Finance Limited being treated as delivered on such date in such order:

SUBSCRIBED for and on behalf of

**PERFECTHOME CAPITAL LIMITED**

at.....

on.....

by

.....

Full Name

.....

Director

before this witness

....., Witness

.....Full Name

.....Address

SUBSCRIBED for and on behalf of

**TEMPLE FINANCE LIMITED**

at.....

on.....

by

.....

Full Name

.....

Authorised Signatory

before this witness